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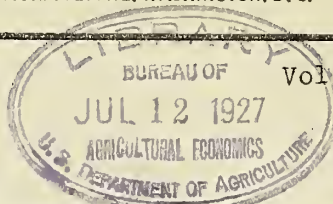
# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

July 6, 1927.

### MARYLAND TO HOLD INTERSTATE SWEET POTATO MARKETING CONFERENCE.



Vol. 7, No. 27.

A conference of growers, shippers, storage men, extension agents and specialists, bankers, railroad men and others interested in the sweet potato industry of the Delaware, Maryland, and Virginia Peninsula is to be held at Pocomoke, Md., August 9, the Maryland State Department of Markets has announced.

Sweet potato storage will be emphasized at the conference, the discussion to include all problems from the best varieties of sweet potatoes to be produced, field management, standardization, and distribution. The conference is expected to result in definite recommendations looking to improvement in all phases of the sweet potato industry on the Shore.

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### NEW JERSEY TO RUN DEMONSTRATION MARKETING TRAIN THROUGH STATE.

Plans for running a demonstration marketing train of farm products through important New Jersey agricultural sections have been virtually completed by the New Jersey State Department of Agriculture for the purpose of carrying out the plans for standardizing New Jersey's marketing methods.

"Standardization of farm products means uniformity in their grading, packing and containers," declares W. B. Duryee, Secretary of the Department, "and by giving close attention to these three steps New Jersey can do much to hold eastern markets in the face of strenuous competition from sections where some of these lessons have been learned."

The exhibits and demonstrations will include peaches, apples, potatoes, tomatoes, cucumbers, cantaloupes, and peppers. Space will be devoted also to egg grades and standards. The train will start from Mullico Hill July, and make one-day stops in towns in Cape May, Atlantic, Cumberland, Gloucester and Monmouth Counties. A month or more will be required to complete the tour.

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### MARYLAND SHIPPERS DO NOT FAVOR HALF BUSHEL BASKETS FOR PEACHES.

Likelihood of general acceptance of half bushel containers for peaches is remote, declares the Maryland State Department of Markets, because an inquiry conducted by the Peach Exchange shows that growers do not favor it. The half bushel basket costs about the same as the bushel basket and twice as many are required to ship the same number of peaches. The Interstate Commerce Commission has granted permission to use half bushel containers under regulations similar to those applying to bushel baskets, but as every effort is being made to reduce production and marketing costs, says the Maryland department, the ruling will probably have little effect.

Dept. of Agriculture,  
Washington, D. C.

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### MONTANA DEVELOPS "SAFE AND PRACTICAL" AGRICULTURAL PROGRAM.

An agricultural program which is "safe and practical" has been developed in Montana as a result of the agricultural economic conferences held in the State last winter, the Montana Extension Service has announced.

More than 1,200 farmers, stockmen, fruit growers and business men took part in the district economic conferences. Committees of from 10 to 20 members were appointed previous to the conference to study and report on each of the important lines of agriculture in the state.

J. C. Taylor, director of the Montana Extension Service, points out that the state and district programs must necessarily be of a rather general nature since they cover a wide variety of conditions of soil, climate, altitude and rainfall. These programs, however, form the background for more detailed programs for counties, communities and individual farms.

County conferences are being planned now as well as special district irrigation conferences. Three of such irrigation conferences and one county conference have already been held and bulletins containing the detailed programs for each of these units are being prepared.

Copies of the state program with the desired district supplement may be obtained from the Montana Extension Service, Bozeman, or from county extension agents.

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### MORE MONEY IS ASKED FOR MARKET RESEARCH.

An appropriation of \$5,000,000 in addition to the \$10,000,000 already appropriated by Congress for the use of the U. S. Department of Agriculture in the conduct of research work has been urged before President Coolidge by representatives of 13 agricultural, industrial and other organizations as a means of conducting and furthering educational work in preventing market wastes, controlling insect pests, discovering new varieties of grains, and better adapting the products of the farm to the needs of the consumer.

Better and cheaper agricultural production instead of more agricultural production was urged by the committee headed by A. M. Loomis, secretary of the American Dairy Federation. It was pointed out to the President that agricultural researches have not been fully supported since the war and that emergency activities have absorbed all but about 7 per cent of the funds of the Department of Agriculture. Careful survey, Mr. Loomis said, shows that every dollar which has gone into research in agriculture has come back multiplied by 500 to 1000 in national wealth and annual income.

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THE NINTH ANNUAL MEETING of the AMERICAN FARM BUREAU FEDERATION is to be held at Chicago, December 5, 6 and 7, 1927, S. H. Thompson, President of the Federation has announced. Effort is being made to have at least one delegate from each of the 15,000 community units of the organization at the meeting.



VEGETABLE GROWERS TO HOLD BIG  
EXHIBITION AND MEETING AT SYRACUSE.

Numerous varieties of vegetables will be exhibited by the Geneva (New York) Experiment Station at the meeting of the National Vegetable Growers Association in Syracuse the latter part of August.

It is planned to show as large a number of types of beans, cucumbers, and summer squashes as space will permit to illustrate the wide range of varieties to be found in these vegetables. It is hoped also that some lines of investigation with canning crops and the control of canning crops pests may be included in the Station exhibit.

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MARKETING INVESTIGATIONS UNDER PURNELL  
ACT YIELDING RESULTS IN INDIANA.

onion

Much improvement in handling Indiana's/crop through recommendations made possible by marketing investigations under the Purnell Act is reported by the Purdue Experiment Station.

Grading of onions, which was started in 1923, has grown from small proportions to 1,100 cars which were rigidly graded in 1926, of which those passing the test based on U.S. No. 1 grade, sold for 50 per cent more per car than those which failed to pass the test.

Under present methods of distribution, declares Fay C. Gaylord, of the Purdue Station, the choice of seed, fertilizer, methods of harvesting, grading and storing have an important relation to sales prices.

The results of the investigations and recommendations have been published by the Station in Bulletin No. 308, copies of which may be obtained by writing the Station at Lafayette, Ind.

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IDAHO PUBLISHES RESULTS OF ECONOMIC  
SURVEY AS AID TO FARMERS.

Four bulletins comprising the complete report on the economic survey of Idaho agriculture will be available for distribution soon, according to the Idaho College of Agriculture.

Bulletin No. 151 entitled "The Farming Business in Idaho," presents a survey of the entire agricultural situation. It will contain 127 pages, illustrated by 36 maps and charts. Bulletins Nos. 152, 153, and 154 will report, respectively, on the dairy situation, the potato situation, and the poultry situation.

The economic survey which was completed last fall, was conducted cooperatively by the University, the Federal Bureau of Agricultural Economics, the State Department of Agriculture, and other Idaho agencies.

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THE SECOND INTERNATIONAL CONGRESS OF SOIL SCIENCE is to be held in Russia in 1929, probably at Leningrad.

PACKERS AND STOCKYARDS ACT TO BE  
ADMINISTERED BY BUREAU ANIMAL INDUSTRY.

The Packers and Stockyards Administration, as such, was abolished July 1 by Secretary of Agriculture Jardine and the enforcement of the Packers and Stockyards Act of 1921 placed in the charge of the chief of the Federal Bureau of Animal Industry.

The amended General Rules and Regulations have been amended further to show the change in administrative authority, the change being made in accordance with "the general plan of carrying on the regulatory work in a more orderly and logical manner and with more efficiency and economy."

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HAWAII TO ESTABLISH GRADE STANDARDS  
FOR AGRICULTURAL PRODUCTS.

A committee has been invited by the Governor of Hawaii to serve voluntarily in a program of devising and establishing a set of grade standards for Hawaiian agricultural products. It is proposed to start with a few of the more common products, as eggs, poultry, tomatoes, cabbage, sweet potatoes, watermelons, avocados, etc.

These products will be studied and with the help of dealers, producers and consumers grade standards will be worked out. Each grade will be defined carefully and all producers and dealers will be asked to cooperate in observing the standards in marketing their products.

Federal grade standards will be used as the starting point for this work, adopting these bodily where it is practicable and perhaps in some cases modifying them sufficiently to fit Hawaiian conditions.

The volunteer committee will take the place of the Marketing Commission which it was expected would be created by the recent legislature. A bill creating such a commission, with substantially the same personnel as the volunteer committee, was passed by the House but failed in the Senate.

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PENNSYLVANIA WARNS AGAINST SHIPPING  
EGGS TO IRRESPONSIBLE DEALERS.

The Pennsylvania Bureau of Markets is warning egg shippers to use great care in selecting commission men. Notices have been received recently by the Bureau to the effect that some egg dealers in the East are doing an illegitimate business.

Shipments are solicited from farmers who make only one case shipments. The first returns are made above the market as a bait for further shipments. As the shipments continue, payments dwindle until no returns are made on the receipts. Claims become so numerous and demands so great that the buyer flees, and the express company is forced to sell goods at a loss. Bureau officials do not criticize the trade generally, but are endeavoring to protect poultry shippers against irresponsible dealers.

OKLAHOMA TO HAVE SUMMER COTTON  
SCHOOL ON PRODUCTION AND MARKETING.

A summer cotton school to give training in production, ginning, grading, stapling and marketing of cotton is being conducted July 5 to July 30 by the Department of Agronomy and Agricultural Economics of the Oklahoma Agricultural and Mechanical College. The lectures will be given by members of the teaching and experiment station staffs of the college, representatives of the U.S. Department of Agriculture, and men employed by large commercial concerns who regularly buy and sell cotton.

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SOUTHERN PEACH INDUSTRY  
FACES INCREASING COMPETITION.

Peach production in the Southern States has increased so greatly in recent years that growers are faced with the necessity of letting many trees go out of bearing, or meeting intense competition in overcrowded markets, as shown in a survey just completed by the Bureau of Agricultural Economics.

As immediate steps to improve conditions, the bureau recommends improved cultural practices and strict grading. Much good, it says, might be accomplished by culling out poor fruit and supplying markets with only the best. Such action, accompanied by the removal of trees which constantly produce low yields or inferior varieties would benefit the industry.

Detailed results of the survey have been published in Department of Agriculture Circular 420-6, entitled "The Peach Situation in the Southern States," copies of which may be obtained on request to the department at Washington, D.C.

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CORN BORER CAMPAIGN DESTROYED  
95 PER CENT OF PESTS, ESTIMATED.

Destruction of more than 95 per cent of the European corn borers is estimated as the result of the four months' intensive spring campaign in defense of the Nation's corn crop which ended July 2, according to reports to the United States Department of Agriculture. General emergence of the moths of the borers renders further clean-up of corn refuse useless for this season.

The campaign was one of the most intensive ever waged against an insect pest in the United States, involving an area of more than 2,000,000 acres. Slowing up of the spread of the borer and marked reduction of damage from the pest is expected to follow the campaign, but the final result will be determined this fall when records of the spread and infestation of this year's corn crop can be completed.

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U. S. STANDARDS FOR AMERICAN (EASTERN TYPE) BUNCH GRAPES (1927) have been issued by the U. S. Bureau of Agricultural Economics.



MINIMUM OF PROFITABLE MILK PRODUCTION  
PLACED AT 9,000 POUNDS PER COW.

Dairy Extension Specialists of Ohio State University declare that cows which produce less than 9,000 pounds or about 4,500 quarts of milk a year have little chance of showing a profit for their owners. With less than this quantity of milk dairymen receive nothing for their labor, and not anything more than just enough to feed and house their stock.

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UNIFORM NATIONAL PLAN OF POULTRY  
CERTIFICATION IS SOUGHT.

Adoption of a uniform national plan of certification of poultry and hatcheries will be urged at the convention of the International Baby Chick Association at Grand Rapids, Mich., July 18-29, the plan to be proposed by a committee of representatives from each of the South Atlantic States.

Decision to present such a plan was reached at a conference of poultry breeders and hatcherymen from Maryland, Delaware and New Jersey, at the University of Maryland, June 24, under the auspices of the Maryland State Poultry Association and the Extension Service of the University of Maryland. On the 25th there was a conference at Washington of representatives of the poultry and hatchery interests of New Jersey, Pennsylvania, Delaware, Maryland, Virginia, North Carolina, and South Carolina, and similar action was taken.

As the Grand Rapids convention will doubtless be attended by delegates from all parts of the United States, it is believed that a uniform plan of certification will be formulated for adoption by the several states.

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PUBLICATIONS.

"United States Standards for Honey," Department of Agriculture Circular 410.

"Marketing Peaches in Philadelphia, Seasons of 1925 and 1926," Bureau of Agricultural Economics mimeograph report.

"Marketing North Carolina Peaches, Summary of 1926 Season," Bureau of Agricultural Economics mimeograph report.

"Cooperative Sales Organization for Livestock," University of Wisconsin Bulletin 394.

"Effect of Potash Salts on Crop Yields," Massachusetts Experiment Station Bulletin 232.



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ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

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D. C. C. Stine,  
Bureau of Agr'l Economics,  
Dept. of Agriculture,  
Washington, D. C.

## FOURTEEN STATES JOIN IN GATHERING DAIRY FIGURES.

Cooperative agreements for compiling quarterly reports of dairy products handled or manufactured at dairy plants have been entered into between the Federal Bureau of Agricultural Economics and the States of California, Colorado, Maryland, Iowa, Michigan, Minnesota, Missouri, Montana, Nebraska, New York, Tennessee, Utah, Virginia, and Washington. It is expected that the results of the agreements will be more complete data and information on the dairy industry in the various States, and greater economy in handling the work by both agencies.

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## WISCONSIN HOPES TO INCREASE MILK SALES THROUGH GRADING PLAN.

The Wisconsin Department of Markets is to engage in a milk grading venture which is expected to increase market sales, according to Edward Nordman, Commissioner of Markets. Grading regulations have been drafted and submitted to officials of one of the large Eastern cities. These officials declared that milk produced under such grading regulations and coming up to the proper standards would be admitted into the markets.

Commissioner Nordman declares that the grading plan will result in the sale of great quantities of milk in this one city, and that other markets will be developed.

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## PENNSYLVANIA SEEKING TO DEVELOP LARGER MARKET FOR LOCAL WHEAT.

Studies of the protein content of wheat grown on Pennsylvania farms for the purpose of widening market outlets by locating producing areas that have wheat especially adapted for bread or pastry purposes are to be made this summer by the Pennsylvania Bureau of Markets.

The work will be done under the immediate direction of George A. Stuart, State Bureau of Markets, and the analyses of the wheat samples will be made in the laboratories of the Bureau of Foods and Chemistry. Mr. Stuart will visit shipping points in ten of the principal wheat producing counties to secure samples. It is hoped that a larger proportion of the Pennsylvania wheat crop can be used in supplying consumer demand within the State.

SECRETARY JARDINE OUTLINES  
POLICY ON COOPERATIVE MARKETING.

The policy of the United States Department of Agriculture regarding the attitude of extension workers toward cooperative marketing has been outlined in detail by Secretary Jardine in a letter to C. O. Moser, President of the American Cotton Growers' Exchange. Copies of the letter have been forwarded to all extension directors by Dr. C. B. Smith, Chief of the Extension Office at Washington.

The section of the letter which applies directly to the work of extension agents is as follows:

1. They may take part in meetings held by cooperative associations. In such meetings they may discuss marketing problems and the principles of cooperative marketing.
2. They may advise and assist the farmers in developing the type of organization best adapted to meet conditions. In most instances, they may obtain the assistance of the State marketing specialists or specialists of this department, and with their help work out organization, financial, and operating plans. Help of this kind oftentimes means the difference between the success or failure of a cooperative marketing enterprise.
3. They may assist existing associations by making available to them the results of marketing research carried on by the States and the department, by disseminating crop and marketing information and approved statistical, accounting, financing, and marketing practices.
4. Packing, processing, and standardization of products handled by cooperative organizations, particularly those phases of this work for which the farmers are responsible, may be greatly improved through the educational activities of the county agents. In this way they can make an exceedingly valuable contribution toward the success of the associations.
5. They may assist in the promotion of cooperative marketing schools in cooperation with the marketing associations, agricultural high schools, county farm bureaus, or other agencies. It is the county agent's job to give the farmers of his county a correct understanding of the problems and principles of marketing and the possibilities and limitations of cooperative marketing.

This outline of some of the legitimate activities of the county agents is not intended to exclude other marketing activities in which they may properly engage. In brief, the county agent is an educator and in carrying on his work he cannot afford to neglect marketing problems.

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ICE CREAM CONSUMPTION in the United States last year was nearly 2,000,000 gallons more than in 1925, but the consumption per person fell off slightly from 2.80 gallons in 1925 to 2.77 gallons in 1926.



CROP PROSPECTS ARE UNPROMISING  
SAYS FEDERAL CROP REPORTING BOARD.

Crop prospects this season as a whole are far from promising, according to the Crop Reporting Board in its July 11 report. It is still too early to forecast accurately the production of late sown crops, says the Board, but the present outlook is for the shortest corn crop in 26 years; a very short crop of fruits; a material reduction in tobacco production; about average production of potatoes, wheat, sugar beets, flaxseed, and feed grains other than corn; rather large crops of beans, peanuts, and sweet potatoes, and a record hay crop. Crop prospects are fairly good in the Western States but very unpromising in the eastern part of the Corn Belt.

The area in crops this season shows a reduction of around 7,000,000 acres or 2 per cent below the acreage at this time last year. Most of the reduction is in the flooded sections of the Mississippi Valley, in the lower Ohio Valley and Central Corn Belt States where wet weather interfered with planting, in the southwest where drought caused a heavy loss of winter wheat and restricted the planting of spring sown crops, and in the South where the cotton situation has tended to curtail farming operations.

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SHIPPING POINT INSPECTION  
INCREASES IN MAINE.

For 35 weeks the Maine Department of Agriculture, cooperating with the United States Food Products Inspection Service, gave inspection for table stock potatoes from the 1926 crop. It was the largest season's work ever done in Maine, and from all angles the most satisfactory. A total of 5,567 cars were inspected, of which only 11 cars were reversed. Inspectors have been placed at a larger number of shipping stations, so as to make possible complete inspection of practically all cars inspected. Only 4.3 per cent of the cars inspected were below grade.

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MANY HIGH GRADE BABY CHICKS  
UNDER NEW PENNSYLVANIA PLAN.

Approximately 780,000 improved, standardized baby chicks were produced in Pennsylvania this year under the accredited hatchery plan of the State Department of Agriculture. This plan, which was started three years ago, is based upon the selection of breeding birds for type and egg production. In addition, blood samples have been tested for bacillary white diarrhea from about 75 per cent of the birds passed.

Buyers report that chicks produced under this plan are uniform in quality and that losses from disease have been much reduced. Hatchery owners report larger sales, better prices, and fewer complaints.

GENESEE FARMERS START  
REAL BUSINESS ACCOUNTS.

Fifty farmers in Genesee County, New York, have started a new business service, said to be the first of its kind in the United States, in which Dr. I. F. Hall of the farm management department at the State college is giving his full time to their farm records and accounts. Each farmer pays \$1.50 a month for the service, the balance of the cost being borne by the College.

A summary made by Dr. Hall shows a total investment of \$1,750,000 among 48 farmers, or an average valuation of \$35,000 a farm. He found that the average age of the horses is nearly 13 years, "which means that fully 70 per cent of the horses will have to be replaced with the next five years.

On subsequent visits each month, Dr. Hall will audit the books, draw a balance sheet for the month, and help the farmers with their accounts. In addition to the daily records of expenditures and returns, each man keeps a record of labor of men, horses, and tractors.

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NEW YORK FARMERS LEARN MARKETING  
BY VISITING CITY TERMINAL.

During the past winter, seven counties in New York State followed the example set by Steuben County in 1926 and conducted marketing trips for farmers to the New York City markets. The purpose of these trips were to acquaint the farmers with just how the products shipped by them are handled, and to acquire as much intimate knowledge as possible of how competing crops are handled.

The trips were conducted by county agricultural agents in connection with agricultural agents of railroads, the American Railway Express and New York State Department of Farms and Markets, and the Department of Marketing at Cornell University. Approximately 300 farmers went on the tours, and similar trips are to be made next winter.

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HIGH QUALITY PEACHES PROFITABLE  
FOR INDIANA GROWERS.

Production of high quality peaches, followed by rigid grading, packing and branding, resulted in a uniform product for the Indiana peach growing sections which in 1926 commanded from 50 cents to \$1 more per bushel than fruit from competing territory, according to Bulletin 309, "Indiana Peaches", issued by the Purdue Experiment Station. Last year was the first time the Indiana growers packed according to U.S. grades with a system of government inspection.

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OFFICIAL STANDARDS FOR THE INSPECTION OF APPLES have been issued by the Federal Bureau of Agricultural Economics, Washington, D.C.



RAILROAD LIABLE FOR LOSS DUE TO DAMAGED CAR OF LETTUCE

This is the case of Southern Pacific Co. vs. Di Cristina, et al. (137 S.E. 79.)

H. E. and R. Di Cristina were consignees of a carload of lettuce delivered to Southern Pacific Co. at Los Angeles, California, to be transported to Atlanta, Georgia. Bill of lading was endorsed: "Reiced car. Reice at all regular icing stations to destination and route via Southern Pacific Co. and Louisville & Nashville R.R. Co. and Atlanta & West Point R. R. Co." Shipment in some way was given different routing than that prescribed in the bill of lading and the car was ordered diverted to Richmond, Virginia. The goods arrived in Richmond in a damaged condition. They were disposed of at a loss and plaintiffs sued the Southern Pacific Company to recover for the loss sustained. Verdict for plaintiffs, and case is brought to the Court of Appeals of Georgia upon exceptions to judgment refusing defendant's motion for new trial.

A number of exceptions to the charge of the Court in submitting the case to the jury were discussed in the opinion. On the question of negligence, however, certain legal principles were considered which were pertinent in determining whether evidence demanded the finding that defendant was negligent. On this point the following quotation is given from the decision in the case of C. & O. Railway Co. vs. Thompson, 270 U. S., 416:

"The respondent therefore had the burden of proving the carrier's negligence as one of the facts essential to recovery. When he introduced evidence to show delivery of the shipment to the carrier in good condition and its delivery to the consignee in bad condition, the petitioner became subject to the rule applicable to all bailees, that such evidence makes out a prima facie case of negligence (citing authorities). But even if this 'prima facie case' be regarded as sufficient, in the absence of rebutting evidence, to entitle the plaintiff to a verdict, \* \* \* the trial court erred here in deciding the issue of negligence in favor of the plaintiff as a matter of law. For the petitioner introduced evidence of the condition of the cars from the time of shipment to the time of arrival, which persuasively intended to exclude the possibility of negligence."

In the present case, evidence showed that the lettuce was delivered to carrier in good condition, and was delivered to consignee in bad condition. This made a prima facie case of negligence. The Supreme Court in the Thompson case left it undecided whether, in this situation, the plaintiff would be entitled to a verdict as a matter of law in the absence of rebutting evidence. In that case the carrier introduced evidence tending to exclude the possibility of negligence. In the present case the carrier was silent. Evidence introduced tended to show that if the carrier had properly iced the car at regular icing stations, or if the car had been properly equipped and refrigerated, the shipment would have arrived in good condition.

The Court held that in the light of all the evidence it was reasonable for the jury to suppose that the defendant was negligent; that the rule that in a case of this sort the burden is upon the plaintiff throughout the entire trial (Bland v. Chicago & A. R. Co. 232 S.W. 232) does not mean that the plaintiff may never be entitled to a verdict as a matter of law; that under the evidence the Court would have been authorized to direct a verdict in favor of plaintiff on the issue of negligence, leaving only for their determination the amount of damages. Quoting further from the decision:

"There was some issue in the trial as to whether there was delay, and as to the effect of the delay, if any, upon the shipment. But we think it is unnecessary to bring any question of delay into this decision, nor have we considered what might possibly be the result of the deviation from the route prescribed in the bill of lading. See in this connection, 4 R. C. L. 812, Sec. 268 et seq.

"There was evidence sufficient to establish the value of the lettuce on its arrival at destination. The court did not err in the admission of testimony upon that subject nor in charging the jury thereon. It follows, from what we have said, that no reversible error was committed, and that the court below ruled correctly in refusing a new trial.

"Judgment affirmed."

-H. F. Fitts.

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#### PUBLICATIONS

"Marketing of Delaware Eggs," Bulletin 150, Delaware Experiment Station, Newark, Del.

"Marketing California Grapes, Summary of 1926 Season," Bureau of Agricultural Economics, mimeograph report.

"Marketing Colorado Peaches, Summary of 1926 Season," Bureau of Agricultural Economics, mimeograph report.

"Index Numbers of Farm Prices," Bureau of Agricultural Economics, mimeograph report.

"Charts of Farm Prices of Farm Products and Wholesale Prices of Non-Agricultural Commodities by Months, 1910-26," Bureau of Agricultural Economics, mimeograph report.

"Check List of Standards for Farm Products Formulated by the Bureau of Agricultural Economics," Bureau of Agricultural Economics, multigraph.

"Economic Factors Affecting the Local Success of Egg Farming Communities in the Western States," Bureau of Agricultural Economics, mimeograph report.



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## COLORADO PROHIBITS USE OF CREAM CANS FOR OIL.

Oily cream is one of the evils with which the dairy industry has to contend, according to a statement issued by the State Dairy Commissioner of Colorado. The evil is particularly bad, he states, during the summer season when the temptation to haul gasoline, kerosene or motor oil for use in tractors seems to be hard for the farmer and thresherman to resist.

Thousands of dollars are lost every season because of cream which has been tainted by cans in which these oils have been shipped. Cream that is so tainted positively cannot be used in the manufacture of dairy products and is a dead loss.

No amount of cleaning, scouring or steaming will remove the odor and flavor of machine oil, gasoline or kerosene, and similar products from the can. Before the can is used again it must be re-tinned and the re-tinning is an expensive process.

Cream and other dairy products possess a quality of readily absorbing odors and flavors from other substances, either from direct contact with the obnoxious material, or from the air, and once absorbed it is difficult and in most cases impossible, to get rid of them.

In addition to entailing direct loss to the cream producer and to the dairy industry, it is a violation of the law to use cans in which cream is transported for containing oils of any kind. The offices of both the State Dairy Commissioner and the State Oil Inspector will prosecute cases of violation.

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## OHIO STUDIES FARM ADJUSTMENTS BECAUSE OF CORN BORER ACTIVITIES.

A study of adjustments in farm organization and operation, made necessary by the presence of the European corn borer in northern Ohio, is being made by the Department of Rural Economics of Ohio University in cooperation with the Bureau of Agricultural Economics, U. S. Department of Agriculture. Information is being collected in the field on the relative economy and practicability of various control measures and especially as to how they are adapted to farms of different sizes and types. Information heretofore assembled in connection with cooperative studies made by the Federal bureau and the Ohio Experiment Station will be utilized in this survey. The effect of the corn borer and the necessary control methods upon farm costs and incomes will be studied on farms of different types and sizes. This work is being coordinated with other research work that is being undertaken in other bureaus of the Department of Agriculture through the Department's corn borer committee.

Miss Mary F. Carpenter,  
Bur. of Agr'l Economics,  
U. S. Dept. of Agriculture,  
Washington, D. C.

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LAMB CROP SLIGHTLY SMALLER  
THAN IN 1926.

The 1927 lamb crop report issued July 20 for the United States was slightly smaller than that of 1926 but 8 per cent larger than that of 1925, according to the lamb crop report issued by the Bureau of Agricultural Economics, U. S. Department of Agriculture. The indicated lamb crops for the three years were 23,764,000 in 1927, 23,878,000 in 1926 and 21,958,000 in 1925.

The native lamb crop was much larger this year than last, but the increase in native lambs was not large enough to offset the decrease in the Western lamb crop. The increase in native lambs was due both to an increased number of breeding ewes and to an increase in the number of lambs saved per 100 ewes. In the Western States the decrease in lambs per hundred ewes from 87.6 in 1926 to 77.8 in 1927 resulted in a decrease in the total number of lambs saved of 1,300,000 head or 8 per cent in spite of an increase of over 600,000 head in the number of breeding ewes. The largest decreases in the West were in the late lambing areas, and were due very largely to the very unfavorable weather conditions during April and May. As these areas furnish the bulk of the supply of feeding lambs, a considerable decrease in the available supply of such lambs is indicated.

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LIVESTOCK PRODUCTION IN  
MONTANA ON UPWARD TREND.

With approximately seven-eighths of the area of the State classed as unimproved or non-farming land, livestock production is and is destined to remain an important enterprise in Montana, is the statement made in AN AGRICULTURAL PROGRAM FOR MONTANA, a bulletin recently issued by the Montana Extension Service. Members of the livestock committees at the six agricultural economic conferences held in the State last winter could see no immediate expansion of the dry land farming area so that whatever income is derived from approximately 80,000,000 of the State's 93,000,000 acres of land must come from the utilization of native grasses in growing livestock.

The bulletin points out that livestock production in the State again appears to be on an upward trend. During the early range days cattle occupied the premier place in the State. With the advent of the sheep man, cattle gave way and sheep gained a place of chief prominence. When the dry land farming movement started sheep numbers started on the decline and cattle again began to increase. From 1910 to 1921 sheep fell off from five and a half million to less than two and a half million at the same time cattle increased from less than 800,000 to nearly one and a quarter millions. Since 1921 there has been a gradual increase in sheep and now it appears that cattle again have resumed their upward climb.

According to the bulletin, livestock production is not a get-rich-quick business. A successful livestock enterprise must have permanence and stability. Sudden changes are to be avoided, and, if they are made, should be based on a long time, careful view of the entire situation. To foster permanence and stability in Montana, it is necessary that a definite policy be reached regarding homestead laws. Those going into the livestock business must plan to go through unfavorable as well as favorable periods. To buy when prices are high and sell when prices are low is disastrous to the individual operator and a detriment to the industry.

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JULY HOG OUTLOOK INDICATES  
SLOWLY IMPROVING MARKET.

The July hog outlook report released by the Bureau of Agricultural Economics, U. S. Department of Agriculture, July 14, indicates that present conditions in the hog situation favor a larger than usual advance in prices of well-finished medium and light weight hogs during August and September.

The market supply of hogs for the next four months appears to be about the same as a year ago. The low level to which hog prices declined in late June, however, apparently has more than discounted the unfavorable aspects in the situation and with lower retail prices for pork and higher prices for beef general conditions favor a larger than usual summer rise in prices of good quality hogs.

Hog marketing during the remainder of 1927 will be influenced to a considerable extent by the developments in the corn crop situation in the Corn Belt States. If the small corn crop as indicated from present conditions materializes heavy marketings of light weight, unfinished hogs may be expected in the late fall and early winter and a seasonal price decline in November and December somewhat larger than usual may result, probably reaching a level not greatly different from that of mid-July. Higher prices are probable in the late winter and spring and the general level of prices in 1928 may possibly be higher than in 1927.

The supply of hogs that will be available for market during the next 12 months appears to be slightly larger than during the past year and the indications are that the demand for pork products will continue about as at present. If this year's corn crop proves to be as small as present conditions indicate the situation doubtless will tend to discourage hog production next year. The bureau cautions producers to remember, however, that the corn crop next year will very probably be larger than this year's crop and that a production of hogs for the country as a whole about equal to that of the past three years seems to promise the best returns to the producers of both corn and hogs.

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AGRICULTURAL INCOME FOR  
YEAR SLIGHTLY LOWER.

Gross agricultural income is estimated at \$12,080,000,000 for the crop year July 1926 to June 1927, by the Bureau of Agricultural Economics, U. S. Department of Agriculture, compared with \$12,670,000,000 the preceding year, a decrease of about 5 per cent, due chiefly to the decline in cotton prices. Smaller income is also estimated for feed grains, apples, and potatoes, which was only partially offset by somewhat higher returns from livestock and livestock products.

The total gross income is made up of \$9,549,000,000 computed as cash income from sales, and \$2,531,000,000, the value of food and fuel consumed on farms. The preceding year the cash income from sales was \$10,135,000,000 and the value of food and fuel consumed on farms \$2,535,000,000.

Net income, after deducting expenses, is estimated at \$2,440,000,000 last year against \$3,082,000,000 the preceding year, a decrease of about 20 per cent. Expenses of production decreased only 2 per cent while the gross income decreased about 5 per cent.

Full details of this report will appear in the July issue of CROPS AND MARKETS of the U. S. Department of Agriculture.

FREIGHT CHARGES MUST BE PAID BY RECEIVER  
OF INTERSTATE SHIPMENT.

Norfolk & Western Ry. Co. v. Williamson Grocery Co. - Supreme Court of Appeals of West Virginia, May, 1927. (138 S. E. 102).

This is a case involving the payment of freight on a car of cracked corn. The Grocery Company purchased the corn through a merchandise broker from Wentworth Milling Company, of Chicago, to be delivered at Williamson, West Virginia, freight prepaid. Upon arrival the Grocery Company paid draft, and bill of lading, indorsed by Milling Company, was delivered to it. Upon delivery of bill of lading, the car was delivered to the Grocery Company for unloading. The bill of lading required that the freight should be collected from the person to whom the shipment was delivered; but when car was unloaded, the Railway Company delivered the waybill, which showed that the freight had been paid. The Grocery Company sold the corn before any claim for freight was made, and at a price based upon prepayment of freight. Sometime thereafter the Grocery Company was notified that the freight had not been paid, and formal demand for payment was made. Upon refusal of payment, this suit followed.

Trial court refused an instruction to find for the Railway Company, but gave an instruction in favor of defendant. Upon verdict for defendant, the court refused to set it aside. The case comes up on appeal on errors as to the introduction of evidence and refusal to give instruction for plaintiff, and the giving of instruction for defendant.

Defendant did not deny liability for freight charges at time of delivery of corn at Williamson. It is well settled that where consignee accepts an interstate shipment, he is liable for the carrier's charges, as he knows the shipment is subject to a lien for the charges, and he further knows of lawful published tariff rates thereon. The person to whom the goods are delivered, holding the bill of lading, is presumptively the owner and becomes liable for the tariffs as soon as they are delivered to him. In this case defendant took the corn from carrier with notice of lawful tariff charges on it. But he seeks to escape liability on the ground that carrier cannot recover because it misled defendant by delivering to it the waybill, which erroneously showed the freight had been paid, in consequence of which defendant sold the corn for a lower price than it otherwise would have done.

The trial court held that this erroneous waybill, so delivered, estopped plaintiff from recovery, and its instruction to the jury was to this effect. Under the U. S. compiled statutes, paragraph 8565, it is required that the carrier shall collect freight charges, and shall not make any rebate; that if carrier charges and receives only a part of the lawful tariff on a shipment and the shipper or consignee pays same in good faith, neither shipper, consignee or carrier is bound by the settlement. This has been the rule in many Federal cases. The fact that goods have been disposed of before claim for freight is made does



not alter the situation and no estoppel arises therefrom. In a similar case cited it was held that the liability of consignee was a question of law; that the transaction amounted to an assumption on the part of the consignee to pay the lawful tariffs, and that it could not escape the liability imposed by law through any understanding with the carrier. The fact that it had sold the goods did not estop carrier from asserting its claim. On this point the following is quoted from the case of Western & Atlanta Railroad Company v. Underwood ( D. C. ) 281 F. 891:

"A consignee cannot accept delivery of an interstate shipment of goods without incurring liability for the carrier's lawful charges, known or unknown, supposed to be prepaid or otherwise, and no matter what the consignee's actual relation to the shipper is.

"No mistake as to the amount of the freight can be asserted, and no misrepresentations about that can deceive, for the consignee is bound to know what it is. He cannot rely on a statement that it has been prepaid, because the statute requires him 'to satisfy the lawful lien' before taking the goods, and not simply to pay what is demanded of him."

Judgment reversed.

- H. F. Fitts.

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#### PUBLICATIONS.

"Protein Survey of the North Dakota Wheat Crops of 1925 and 1926", North Dakota Experiment Station Bulletin 208.

"Collected Studies on Hog Cholera," North Dakota Experiment Station Bulletin 210.

"Physical Properties of Commercial Dusting and Spraying Materials," Cornell (N.Y.) Station Technical Bulletin 125.

"Annual Variation in Apple Yields - A Possible Cause," Cornell (N.Y.) Station Technical Bulletin 126.

"Results of Seed and Legume Inoculant Inspection for 1926," New Jersey Experiment Station Bulletin 447.

"The Value of Summer and Fall Egg Production," New Jersey Experiment Station "Hints to Poultrymen", Vol. 15, No. 9.

"Statistics of the Poultry Industry with Special Reference to the Eleven Western States," U.S. Bureau of Agricultural Economics mimeograph report.

## PUBLICATIONS - Continued.

"Marketing Colorado Cantaloupes, Summary of 1926 Season,"  
U. S. Bureau of Agricultural Economics mimeograph report.

"Analyses of Commercial Fertilizers and Ground Bone; Analyses of  
Agricultural Lime, 1926," New Jersey Experiment Station Bulletin 444.

"Trench Silo," North Dakota Extension Division Circular 76.

"Hopper Feeding and Fattening," Connecticut Extension Service,  
Extension Bulletin 113.

"Control of Vegetable Pests," Connecticut Extension Service  
Extension Bulletin 114.

"The Forest, - a Handbook for Teachers," U. S. Department of  
Agriculture Miscellaneous Circular 98.

"Experiments with Fall-Sown Oats in the South," U. S. Department  
of Agriculture, Department Bulletin 1481.

"The Suitability of American Woods for Paper Pulp," U. S.  
Department of Agriculture, Department Bulletin 1485.

"Prices of Farm Products Received by Producers: South Atlantic and  
South Central States", Statistical Bulletin No. 16, third of a series  
issued by the Federal Bureau of Agricultural Economics.

"Heat-Damaged Wheat," Technical Bulletin No. 6, Federal Bureau of  
Agricultural Economics.



# STATE AND FEDERAL MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL  
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

Lloyd S. Tenney,  
July 27, 1927. Bureau of Agricultural Economics, Vol. 7, No. 30

### DEMONSTRATION TRAIN 4-K TOURING IN NEW JERSEY. Washington, D. C.

The Farm Products Marketing Train of the New Jersey Department of Agriculture has met enthusiastic receptions at the towns covered on the first five days of its thirty-day tour of South Jersey. In these few days, over 2,000 farmers, the backbone of South Jersey agriculture, have turned out to inspect the train that is traveling to help them solve effectively their marketing problems.

Rural visitors have minutely examined the fruit and vegetable grading, packing and container exhibits. They have viewed the egg grading exhibits and have tested the freshness of eggs with the candling machine. They have brought their problems with them and have kept the specialists on the train busy discussing steps in the marketing process.

Because of requests for information on the control of the Japanese beetle, an actual demonstration of the damage done by the insect is set up on the train. With this are shown the best methods of control.

The radio aboard train has brought daily price quotations to the visiting growers. A blackboard has been provided where prices are chalked down.

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### CONNECTICUT AGRICULTURAL COLLEGE TO HOLD MARKETING SCHOOL.

The Connecticut Agricultural College, the U. S. Department of Agriculture, and the cooperative associations in Connecticut have combined in a "School and Institute of Cooperative Marketing" to be held at Storrs, August 16 to 19, inclusive. Announcement of the four-day courses indicates that the purposes of the Institute are two-fold: "First, to make it possible for the men who now bear the responsibility for control and guidance of cooperative marketing in the various localities of New England to profit by each other's experience and methods and to study cooperation under the instruction of men of national reputation in the field; second, to bring some of the most promising and able of the younger farmers of New England into contact with these teachers and with the present leaders of cooperation in order that they may be prepared to take up the burden of responsibility when their time comes."

Anyone interested in the session may obtain a program and complete information by writing to the Director of Short Courses, Connecticut Agricultural College, Storrs.

NEW ENGLAND RESEARCH COUNCIL  
OUTLINES RECENT PROGRESS.

Developments in the work of the New England Research Council are set forth in a recent communication from H. I. Richards, Secretary of the Council. Among the outstanding activities performed by the New England research units, which, with the Bureau of Agricultural Economics, constitute the membership of the Council, Mr. Richards discusses the following.

A New England apple bulletin, summarizing the results of five individual State surveys, is now practically ready for printing. The excellent cooperation of five New England States in making the survey is acknowledged by Mr. Richards and he states that four of these States are now cooperating in the printing of the bulletin.

The New England milk survey is nearing completion. It is expected that the results obtained from this study will be very valuable in analyzing milk marketing problems. Since dairying is the most important single agricultural enterprise in New England, many of the agricultural experiment stations are very much interested in making a further analysis of the elasticity of the milk supply.

There is also a good deal of interest in farm management problems in New England, according to Mr. Richards. Five New England States are carrying on some farm management work. Much of this work, however, is analysis of cost production or of the profitableness of particular farm organizations and practices during the period covered by the survey. New Hampshire is carrying on a detailed cost route study of a number of orchard farms.

New Hampshire has been largely responsible for the study of the relation between prices and receipts of live broilers on the New York market in the early broiler season of 1925 and 1926.

The Massachusetts Department of Agriculture is completing a very interesting marketing study looking toward the measurement of the difference in price which consumer or wholesale men are willing to pay for differences in color, size, condition and pack of farm products.

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NEW JERSEY BOARD OF AGRICULTURE  
REELECTS TWO OFFICERS.

At the organization meeting of the New Jersey State Board of Agriculture, held in the offices of the New Jersey Agricultural Department recently, Joseph S. Frelinghuysen of Raritan was reelected as president, and Clifford E. Snyder, of Hunterdon county, was again chosen vice-president, to succeed himself.

Two new Board members took up their duties at this meeting. They are Joseph Walter Miller, of Mercer county, and William I. Tomlinson, of Camden county. They succeed Henry W. Jeffers, of Plainsboro, and Fred Lippincott, of Moorestown.

New members are elected by farmer delegates to the State Agricultural Convention held in Trenton each January. Eight members compose the Board, their terms of office being four years.



NEW YORK MARKET CENTER  
OF RESEARCH STUDIES.

The chief efforts of the New York Food Marketing Research Council during the fiscal year 1926-27 have been directed toward the fostering of research centering on the New York market, in accordance with the purpose for creating this regional research body. During the year the Council cooperated with the member organizations listed, in the ten research projects below:

- (1) Consumer Demand for Apples - Bureau of Agricultural Economics, U. S. Department of Agriculture.  
A quantitative study based on 3100 questionnaires collected from as many families.
- (2) Terminal Requirements for Dairy Products in the Port of New York - The Port of New York Authority and Bureau of Agricultural Economics, U.S.D.A.
- (3) Report on a Union Terminal for the Poultry Trade - The Port of New York Authority.
- (4) Analysis of the Live Poultry Market with Respect to Prices, Costs and Commercial Practices - Bureau of Agricultural Economics, U.S.D.A.
- (5) Egg Price Analysis - New York Market - Pacific Egg Producers Cooperative Inc.
- (6) Analysis of the New York Peach Market - Bureau of Agricultural Economics, U.S.D.A., and New Jersey State Agricultural College.
- (7) A Study of the Control of Distribution of Perishable Farm Products - Columbia University-School of Business.
- (8) Measuring the New York Apple Market - Columbia-University School of Business.
- (9) Quantitative Measurements of Price Differentials for Certain Standardized Fruits - New York University.
- (10) Terminal Handling, Costs and Commercial Practices in the Distribution of Potatoes in the New York Market - Columbia-University-School of Business.

In addition, the Council assisted with two studies which were initiated by the Bureau of Agricultural Economics, U. S. Department of Agriculture, namely, A Study of the Distribution of Oregon Prunes and A Study of the Distribution of Eggs in New York City.

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MORE WOOL SHORN  
THIS YEAR THAN LAST.

The amount of wool shorn in the United States in 1927 is 11,477,000 pounds greater than the amount shorn in 1926, according to the preliminary estimate of the Department of Agriculture. The total production is estimated at 272,453,000 pounds, compared with 260,976,000 in 1926 and is the largest since 1911.

The increased production this year over last is due to to the increase in the number of sheep shorn, which more than offset the decrease in the average weight per fleece. The number shorn is reported as 35,642,000 in 1927 and 33,548,000 in 1926. The average weight per fleece was 7.6 in 1927 and 7.8 last year.



MASSACHUSETTS MILK SUPPLY  
INADEQUATE FOR LOCAL NEEDS.

The State of Massachusetts draws heavily upon outside sources of milk, the locally produced supply being inadequate to meet the demand, according to a recent bulletin of the Massachusetts Agricultural Experiment Station, entitled "The Milk Supply of Massachusetts." At the present time fluid milk is shipped into the State from New Hampshire, Connecticut, Maine, Vermont, New York, and to a limited extent from Canada. For some decades the city of Boston has been obliged to import milk from other States. The study reveals that about three-fifths of the quantities of milk and cream shipped into the State by rail during September, 1925, and March, 1926, went to Boston.

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SPECIAL TOBACCO STUDY COMPLETED  
BY FEDERAL DEPARTMENT.

Radical readjustments of tobacco production to meet changing manufacturing requirements are indicated in a study just completed by the Department of Agriculture. The information gathered by the Department indicates that as a result of the ever widening sales of cigarettes and the increasing foreign demand for cigarette leaf, the acreage of bright flue cured tobacco in 1927 has registered an increase of over 15 per cent of the acreage harvested in 1926. Most other types of tobacco, on the contrary, show a decline. Burley, for instance, shows a decrease in acreage of 25 per cent compared with 1926; of the dark air-cured types, One Sucker shows a decrease of 45 per cent, Green River 23 per cent, Virginia Sun Cured 16 per cent, and Maryland and Ohio Export 1 per cent.

Sharp reductions in acreage are shown in the entire group of fire cured types, the decline in the group as a whole being 28 per cent from last year, and 40 per cent from 1925. Of this group the chief sufferer is what is known as Paducah, which has decreased in acreage 40 per cent in the last year and 65 per cent in the past two years. The world-wide drift to the cigarette and the increasing production of dark tobacco in other lands has so reduced the outlet for American grown dark-fired tobacco that farmers in the Black Patch of Kentucky and Tennessee and the dark-fired district of Virginia are turning to other crops.

Only slight changes are noted in the cigar leaf districts.

The Department points out that there is in the present situation an unusual opportunity for growers to profit by giving more than ordinary care to the cultivation and curing of this tobacco. The types in which the principal reductions in acreage have been made are those where a condition of over-supply has existed. As a result of the low prices paid for the 1926 crops of most of these types several foreign countries came into the market and increased their takings. This fact should have the effect of reducing stocks of leaf in the hands of dealers and manufacturers, and in conjunction with the decreased production now in sight should result in improved prices for this year's tobacco. The Department points out that high grade leaf will be at a premium when the next marketing season opens. Hence its recommendation that farmers give particular attention to their crop this year.

STATUTE PROHIBITING THE MANUFACTURE AND SALE OF  
OLEOMARGARINE HELD UNLAWFUL EXERCISE OF POLICE POWER.

In a recent case before the Supreme Court of Wisconsin (June 1927) 214 N.W. 369, the judgment of the trial court in favor of the plaintiff, John F. Jelke Co., was affirmed. This case involved the validity of the statute of the State of Wisconsin prohibiting the manufacture and sale of oleomargarine as protecting the dairy industry from unfair competition. Action was brought by Jelke Company, a manufacturer of oleomargarine, and other firms with which it was allied in the sale and marketing of oleomargarine, against the Dairy and Food Commissioner of Wisconsin, to enjoin the enforcement by the Commissioner of Chapter 279 of the Laws of 1925. The complaint alleged that oleomargarine is a wholesome food product, and that in its manufacture and sale in the State of Wisconsin all State and Federal laws and regulations are complied with and that the sale of oleomargarine is free from fraud. It sets out Chapter 279 of the Laws of 1925 and alleges that it violates both the State and Federal constitution; that it is unreasonable, arbitrary, oppressive and discriminatory and it denies to plaintiff the equal protection of the law; that it is an unlawful interference with interstate commerce; that it takes property without due process of law; and that it is class legislation.

Much expert testimony was taken and the court made and filed findings of fact, among which in substance were the following:

(1) That oleomargarine as manufactured and sold in Wisconsin is of two kinds: (a) The animal fat type, consisting of oleo oil, neutral lard, and refined cottonseed oil or peanut oil, emulsified in ripened whole milk or skimmed milk; that this type has been sold in Wisconsin for over 30 years; (b) The nut type, consisting of refined cocoanut oil and refined cottonseed oil, emulsified in ripened skimmed milk; that this type has been manufactured and sold in Wisconsin for over 10 years.

(2) That oleomargarine as generally manufactured and sold in the United States has always contained either ripened whole milk or ripened skimmed milk; that no other satisfactory emulsifying agent than milk has ever been discovered.

(3) That oleomargarine has been in general use throughout the United States by that trade-mark name for more than 30 years and is a well-known article of food; that during that time it has been and is now used by all classes of people both for cooking and culinary purposes, baking and as a spread for bread.

(4) That the materials used in the manufacture of oleomargarine are of good quality, pure, and contain no elements which are deleterious to health; that its caloric value is almost equal to that of butter.

(5) That oleomargarine has not been sold as butter in Wisconsin for many years prior to 1925; that no fraud or deception has been practiced in its sale; that it is advertised and sold under its own name and in cartons properly labeled "Oleomargarine;" that there have been no complaints or fraudulent advertisements or sales in Wisconsin for many years prior to 1925, etc. etc.



The trial court concluded as a matter of law that Chapter 279 of the Laws of 1925 is arbitrary, unreasonable and discriminatory; that the act denies to complainants the right to carry on a lawful business; that it constitutes an unlawful interference with interstate commerce; that it is in violation of the constitution of the State of Wisconsin and of the United States. Judgment was entered accordingly, perpetually enjoining the defendant, Dairy and Food Commissioner, from enforcing the act. From this judgment the defendant appeals.

The Supreme Court in reviewing the case stated:

"It is argued that chapter 279 does not prohibit the manufacture and sale of oleomargarine; that it only prohibits such manufacture and sale when milk or milk fats are combined with any fat oil or oleaginous substance. Under the evidence produced in this case, this contention is little more than a quibble. There is not a scintilla of evidence that there has ever been upon the market in commercial form a substance known as oleomargarine which did not combine milk or milk fats with some oleaginous substance. There can be no doubt that chapter 279 had for its sole purpose the prohibiting of the manufacture and sale within the state of Wisconsin of oleomargarine as that term is defined by the laws of the United States, and as it is ordinarily used and understood in commercial transactions.

The court in its opinion further commented upon the questions at issue and quoted at some length from other decisions in point. In conclusion it stated:

"Under the facts proven in this case, whatever the economics of the situation may be, from the standpoint of constitutional right the Legislature has no more power to prohibit the manufacture and sale of oleomargarine in aid of the dairy industry than it would have to prohibit the raising of sheep in aid of the beef cattle industry, or to prohibit the manufacture and sale of cement for the benefit of the lumber industry. In some cases a proper exercise of the police power results in advantage to a particular class of citizens and to the disadvantage of others. When that is the principal purpose of the measure, courts will look behind even the declared intent of Legislatures, and relieve citizens against oppressive acts, where the primary purpose is not to the protection of the public health, safety, or morals. *Yick Wo v. Hopkins*, 118 U.S. 356, 6 S. Ct. 1064, 30 L. Ed. 220, and cases cited in notes, page 541.

"In this case it is not shown that it is necessary, in order to protect the public health or prevent fraud, to prohibit the sale of oleomargarine. Chapter 279 is therefore a void enactment.

"Judgment affirmed."



# STATE AND FEDERAL MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

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A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL  
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

August 3, 1927.

Miss Mary F. Carpenter,  
Bur. of Agr'l Economics,  
U. S. Dept. of Agriculture,  
Washington, D. C.

Vol. 7, No. 31

### RETURNING FEDERAL OFFICER REPORTS 4-K UPON GERMAN AGRICULTURE.

German agriculture is approaching pre-war figures, reports George C. Haas, Agricultural Commissioner of the Berlin office, Bureau of Agricultural Economics, U.S. Department of Agriculture, upon his recent return to Washington to take up with Department officials plans for future work abroad. The number of hogs and cattle is about 86 and 93 per cent respectively of the pre-war level. Good crops of potatoes, rye and wheat have been yielding about 100, 85 and 90 per cent of pre-war production. Pre-war tendencies in development are also appearing. Efforts are being made to stimulate the production of livestock and livestock products, especially meat hogs and dairy products, at the expense of the less intensive cereal production. In so far as this movement is successful, Mr. Haas believes, it should favorably affect our German market for bread cereals and some feed-stuffs, and an increased production of hogs produced primarily for meat probably would not materially effect the German market for our land.

The whole trend in the German situation is toward good or increased demand for most of the American agricultural products sold in Germany, Mr. Haas states. The upward turn in the German economic situation which set in about a year ago has brought with it substantial increase in the general purchasing power. The demand for cotton, the most important agricultural export to Germany, has greatly benefited by this improved market situation. German cotton spinning mills are now operating at full capacity, whereas a year ago only about 50 per cent of the spindles were active. It is not improbable, Mr. Haas believes, that the present high level of German consumption of American cotton may be increased, as Germany is the only important European cotton spinning country whose mill production is less than domestic requirements. The increased German purchasing power has also favored the market for some other American farm products, he asserts. Last year, for example, the German imports of American apples reached record figures in consequence of the large American crop and the improved German market.

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### SHIPPING POINT INSPECTION IN COOPERATION WITH IOWA.

The Federal Bureau of Agricultural Economics has recently closed a cooperative agreement with the Iowa State Vegetable Growers' Association, a subsidiary of the State Extension Service, to cover shipping point inspection in Iowa for onions and other vegetables. This is the first cooperative inspection work in that State, the service having previously been carried on there independently by the Federal Government and entirely with Federal funds.

FEDERAL BUREAU AND CALIFORNIA  
WORK TO PROMOTE GRAIN HANDLING.

Looking toward the completion of standards for rice, the Federal Bureau of Agricultural Economics established a branch rice grades standards laboratory at San Francisco recently where information will be collected for the Western States upon which to base United States standard grades for brown rice. Standards for milled rice and rough rice are already established and in use by the rice trade generally. In working out the plans for the organization and operation of the new office the Bureau had the informal cooperation of the California State Department of Agriculture. Conferences were held by Federal officials with representatives of the California Rice Growers Association and millers and exporters on the subject. As a result of the investigations made, tentative grades for brown rice have been worked out and should soon be completed. The Inspection Service of the California State Department of Agriculture has indicated its desire to adopt the new grades, as soon as they are completed, for use in connection with that Department's inspection of commercial lots of brown rice which is exported by the California Rice Growers' Association and others.

A grain handling investigations project is also under way in San Francisco. The work in California will be conducted by the Bureau of Agricultural Economics under informal cooperative arrangements with the Agricultural Engineering Department of the University of California. Cost statistics have shown that bulk handling results in material savings to farmers, and with this in view the Bureau has been working for the past four or five years in the direction of assisting farmers in handling their grain in bulk rather than in sacks.

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GOVERNMENT SPECIALIST ASSISTS  
CALIFORNIA VINEYARDISTS ASSOCIATION.

E. W. Stillwell, in charge of the market news service of the Bureau of Agricultural Economics, U. S. Department of Agriculture, has been released by the Government for the period August 1 to about November 15 to assist the California Vineyardist Association in the organization and administration of a clearing house for California grapes. Mr. Stillwell will assume active charge of the Fresno office.

The California Vineyardists' Association is an organization comprised at the present time of between 7,000 and 8,000 growers, who have affiliated for the purpose of studying the problems confronting them in the marketing of their crop and of working out plans which will be of benefit to the industry. The clearing house has been established through the Board of Directors of the Association who have drawn up an agreement to be signed by shippers who desire to cooperate in its operation.

Mr. Stillwell, who was at one time in charge of the market news service at Fresno, has an intimate knowledge of the grape industry both from the producing and shipping angles, having had unusual opportunity in the field post and his more recent assignment in Washington for observation and study of grape market conditions.



WEEKLY REVIEW PLANNED  
TO COVER WHEAT SITUATION.

A special review of the soft winter wheat market situation, to be issued weekly, is planned by the Bureau of Agricultural Economics, U. S. Department of Agriculture, for distribution principally in Pennsylvania, Maryland and Virginia. The distribution in Pennsylvania will be handled by the State Bureau of Markets from its office at Philadelphia. This is an extension of the market news service under the cooperative arrangement which the Federal Bureau has with the State of Pennsylvania. Arrangements for distribution in the other States have not yet been completed.

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FEDERAL BEAN INSPECTION  
FOR NEW YORK.

Inspection of beans in New York under United States standards will be undertaken under an agreement consummated by the Federal Bureau of Agricultural Economics with the Produce Exchange of New York. Inspectors of the Exchange are now being trained by a Federal officer in the application and interpretation of the standards and will be licensed as soon as they are qualified.

New York is one of the most important terminal bean markets, and from the standpoint of Federal inspection, one of the most interesting because of the number of commercial classes, both domestic and foreign, handled there. Federal inspection will aid in the proper classification of imported beans as well as provide uniform grade determinations of domestic beans, and dealers and importers, many of whom handle large Government contracts, have expressed considerable interest in the work.

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WEST VIRGINIA BEEKEEPERS  
TO HOLD MEETING.

A general meeting of West Virginia beekeepers will be held in connection with the annual meeting of the West Virginia Beekeepers Association at Jackson's Mill, August 11-12, T.K. Massie, President, announces. The general meeting is to be under the auspices of the State Department of Agriculture, the Agricultural Experiment Station, and the West Virginia Beekeepers Association.

John W. Smith, State Commissioner of Agriculture, will speak on "The Department of Agriculture and the Beekeeper" at the opening session. Additional talks of particular interest will be one on "Present and Needed Legislation on Bees" by Mr. Massie, and a discussion of marketing problems by a representative of the United States Department of Agriculture.

Other subjects to be discussed by various bee experts are: diseases of bees, demonstration work, honey production, local markets, new methods, new equipment, pollination of apples and inspection practices and regulations.



CORN IS BACKWARD WHILE  
OTHER CROPS IMPROVE.

The growing season made up some time during July with the result that principal crops are now somewhat nearer normal development, according to the August issue of "The Agricultural Situation".

"Corn is still backward. Late planted corn has made slow growth; whereas early plantings have been in tassel for some time. The net result is a very spotted corn prospect with the possibility that a considerable part of the crop will ear late on short stalks and the frost hazard will loom large.

"Haying is well along, a large crop secured in generally good condition. Potatoes are doing very well and appear likely to make an ample though not excessive crop. Cotton has made good progress, on the whole, though there is said to be a widespread weevil menace throughout the eastern belt.

"Wheat harvest is now moving up into the North, with threshing returns becoming more satisfactory. Winter wheat yields were disappointing in the southern belt but Nebraska is threshing out the greatest crop in its history. Spring wheat in the North shows the best prospect in five years, except in some local areas bordering the Rocky Mountain territory. The world wheat crop appears about the same as last year, more wheat in Europe being offset by probable shorter supply in Canada. Our Wheat Belt reverses the conditions of last year when the southern area had an excellent crop and northern spring wheat was a near failure.

"Corn Belt conditions are also reversed from last year when hogs were high priced and corn low. Now it is the other way around. However, breeders who may be discouraged this fall by a short corn crop and lower hog prices should reflect that those conditions are likely to be reversed again next year.

"The curtailment in Corn Belt feeding operations appears likely to extend to lambs. This will act presumably in the direction of higher lamb prices next winter. However, the heavy increase in native lambs and increased feeding in the West will probably mean lower prices for slaughter lambs this summer and fall and next spring. These conditions would reverse the lamb market history of last year. The West raised about 1,300,000 fewer lambs this year than last which leaves the country's total lamb crop slightly below last season. This was in spite of an increase of more than 600,000 breeding ewes this season in the Rocky Mountain States. The poor lamb crop in the West has averted for this year the market excess which is pretty sure to overtake the sheep industry if it continues to increase by a million head a year as it has done since 1922.

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An interesting exhibit showing how to grade apples in compliance with the provisions of the Michigan grading law is being shown growers at Benton Harbor. The requirements of each grade are shown in the display, which is attracting widespread favorable comment among growers and shippers.

LICENSING OF COMMISSION MERCHANTS  
DOING BUSINESS IN FARM PRODUCE.

The case recently decided by the Supreme Court of Alabama, (State v. Cecil) reported in 113 S. 254, brought up for review the application of provisions of Article 23 of the Agricultural Code, Acts of 1923, to commission merchants doing an interstate business. Article 23 of the code requires a license of commission merchants doing business within the state. It appears that Alex T. Cecil was charged by the state with engaging in business without a license. The court found that the defendant was engaged in an interstate business only, that Article 23 of the code requires a license to do an interstate business, but that this provision of the law is unconstitutional. From judgment for defendant the state entered an appeal. Judgment affirmed.

On appeal, the court dealt only with the constitutional question involved. It is stated in the opinion of the Supreme Court:

"To succeed on this appeal by the state, two things must appear:

(1) That the statute required a license of commission merchants selling farm produce exclusively in interstate commerce.

(2) That the statute, in that regard, does not contravene the interstate commerce clause of the federal constitution.

The latter proposition is most stressed, and the one on which the state wants a pronouncement by this court."

Under the code, a license fee of \$10 to \$25 is required of all persons before they shall receive or sell on commission in the State of Alabama any kind of farm produce, etc. The Commissioner of Agriculture and Industries is given full power and authority to investigate any transactions dealing with farm produce on commission; to cite interested parties, hold hearings, and render decisions. The Attorney General of the State takes the view that primarily the provision of the code is regulatory in character, referable to the police power and not a revenue measure referable to the taxing power. This view is concurred in by the court. The law, however, deals with farm produce, and this is the subject of interstate commerce. It contemplates full supervision and control over the business. Continuing, the Court said:

"Restrictions necessary to protect the health and safety of the people of the state, involving interstate commerce incidentally, Congress not having assumed control over the matter,

have been upheld in a great variety of cases by the Supreme Court of the United States. We do not construe this statute to be within this class as illustrated in the case of *Savage v. Jones*, 225 U.S. 501, 32 S. Ct. 715, 56 L. Ed. 1182.

"On the other hand, recent decisions have dealt with analogous cases of state regulation involving a substantial control and supervision, resulting in interference with or burden upon interstate commerce. Such regulations are declared invalid, although enacted under the police power to prevent possible fraud. To 'regulate' commerce between the states is committed to Congress. It is difficult to see what fuller regulative provisions could be made than are embodied in our Agricultural Code."

"On the authority of *Shafer v. Farmers' Grain Co.* (1925) 268 U.S. 189, 45 S. Ct. 481, 69 L. Ed. 909, wherein many cases are cited and reviewed, we must hold that article 23 of our Agricultural Code cannot extend to and include interstate commerce."

- H. F. Fitts.

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#### PUBLICATIONS.

"Adjusting Hog Production to Market Demand," College of Agriculture and Agricultural Experiment Station, University of Illinois, Bulletin No. 293.

"What Is This Standardization?" New Jersey State Department of Agriculture Circular No. 115.

"Milk Goat Improvement," Agricultural Experiment Station, New Mexico College of Agriculture and Mechanic Arts, Bulletin No. 154.

"The Influence of the Time of Hatch on the Laying Ability of Single-Comb White Leghorn Pullets," Agricultural Experiment Station, New Mexico College of Agriculture and Mechanic Arts, Bulletin No. 158.

"Preliminary Report on the Supplemental Feeding of Range Cattle in New Mexico," New Mexico College of Agriculture and Mechanic Arts, Bulletin No. 161.

"Sugar Beet Investigations," Agricultural Experiment Station, New Mexico College of Agriculture and Mechanic Arts, Bulletin No. 162.

"The Movable Colony Brooder House," Massachusetts Agricultural College, Extension Leaflet No. 62.

"Monthly Check-List of State Publications Received During April, 1927," Vol. 18, No. 4, issued by the Library of Congress. For Sale by the Superintendent of Documents, Government Printing Office, Wash., D. C.



STATE AND FEDERAL

# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

~~August 10, 1937.~~

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### BEEF CATTLE OUTLOOK MEETING TO BE HELD IN WEST.

Representatives of the Experiments Stations and Extension Services of North and South Dakota, Montana, and Wyoming, will meet at Miles City, Montana, on August 15, to prepare a report on the beef cattle outlook for the Northern Great Plains cattlemen. It is expected that representatives of the Bureau of Agricultural Economics and Bureau of Animal Industry, U. S. Department of Agriculture, will attend this meeting. The two bureaus are cooperating with the Experiment Stations in these States on a regional study of ranch management. It is expected that this outlook report will be of particular value to the ranchmen who are cooperating in the study.

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### AMENDMENT TO EUROPEAN CORN BORER QUARANTINE ANNOUNCED.

An amendment to the European corn borer quarantine just announced by Secretary of Agriculture Wm. M. Jardine, will simplify the methods of making inspections of shelled corn for shipment from the infested districts this fall.

The department states that the first season's administration of the regulations requiring the inspection and certification of shelled corn has resulted in the general adoption of adequate cleaning methods throughout the infested areas.

This fact makes it possible to administer the regulations by substituting for the separate examination of each car or sack of corn, less expensive but equally efficient measures, namely, (a) inspection of dealers' premises at frequent intervals, (b) dealers' agreements to comply with the regulations, and (c) regular inspection of corn in transit to see that dealers are complying with such agreements.

Under the amended regulations, each dealer who desires to ship corn out of the infested areas will be required to shell the corn and to maintain equipment capable of cleaning it so as to eliminate cobs and debris; also to file a signed agreement not to ship corn to uninfested States until it has been shelled and carefully cleaned. Inspections will be made from time to time to be sure that the dealers are complying with these provisions.

Certificates good for thirty days from the date of inspection will be issued, in place of the forms used last year which were valid only on the individual shipments examined.

Those affected by the change are dealers in both seed corn and corn for feeding, in the European corn borer infested parts of Pennsylvania, Ohio, Michigan, Indiana, West Virginia, New Jersey, New York, and the New England States.

INTERESTS WILL MEET TO DISCUSS  
MILK MARKETING STUDY.

The economic survey and analysis of marketing milk in New England, undertaken last fall by the Federal Bureau of Agricultural Economics at the request of dairy cooperatives in those States, will be discussed at a meeting in Boston, Mass., August 12. The study is now completed and the publication of the results of the survey in progress. In the meantime, for the benefit of the cooperatives and others interested, representatives of twenty dairy marketing associations, directors of the Extension Service and of Experiment Stations, and commissioners of agriculture, of the New England States, have been invited by the bureau to hear a presentation and interpretation of the findings of this survey.

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VEGETABLE GROWERS TO GATHER  
IN NATIONAL CONVENTION.

Prof. H. C. Thompson, head of the department of vegetable gardening at the New York State College of Agriculture, Cornell University, will address the twentieth annual convention of the vegetable growers' association to be held in Syracuse, N. Y., August 22-26. Prof. Thompson plans to tell the vegetable growers that a large part of the work they have been doing in cultivating their crops has not only been a waste of labor, but has not been any too good for the crops themselves. These findings are the result of a long series of investigations, some of which have been incorporated in a Cornell bulletin.

The program includes a number of speakers of national reputation in their field, and a part of the convention will be given up to tours to vegetable producing centers in New York. More than fifty manufacturers or distributors of machinery and supplies for vegetable growers will show their wares at the convention. A field five miles north of the city has been plowed, fitted, and planted to a wide variety of crops and here the different tractors, cultivators, dusters, sprayers, and plant-setters will be shown in action.

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PURDUE UNIVERSITY TO HOLD  
ANNUAL SWINE EXHIBIT.

The annual Swine Day at Purdue University is planned for September 30. Several lots of hogs are now on feed in experiments and will be ready for exhibition on the day of the meeting. The comparison of tankages, which is an important feature of the experiments, is attracting the interest of many feeders.

Does it pay to feed tankage with pasture? If so, what is the best kind of tankage to feed? These are some of the questions to be answered. The experimental hogs are also being fed to show how to get the greatest returns from soybeans and to compare mineral feeds.



NEW RESTRICTIONS PLACED BY  
JAPANESE BEETLE QUARANTINE.

An amendment to the Japanese beetle quarantine, affecting the interstate movement by boat from New York City of farm products and cut flowers grown in the infested area, by requiring inspection and certification of such products, has just been issued by the Secretary of Agriculture.

The old regulation provided that "farm products (except green sweet or sugar corn and beans in the pod) and cut flowers may be shipped interstate from the markets of New York City without certification when the routing is such that the shipment will not pass through the regulated area of New Jersey." Under the amendment, such farm products and cut flowers shipped from New York City must be inspected and certified if they have been produced in the infested area and are consigned to move interstate by boat to uninfested districts.

Department investigators state that the greatest danger of disseminating the Japanese beetle is in shipments of green corn and beans. These products are therefore required in all cases to be inspected and certified.

Other fruits and vegetables produced in the infested area are prepared for the New York markets in such a manner that there is little chance of their carrying an infestation. The object of this amendment is to remove the slight chance of the Japanese beetle being carried some distance to other States by boat in the coastwise trade.

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COLLEGE WILL MAKE SURVEY  
OF PROTEIN IN NORTH DAKOTA

A protein survey of North Dakota in which wheat samples from every county in the State will be collected and tested will be started immediately, announces R. C. Dynes, assistant county agent leader at the North Dakota Agricultural College. County extension agents of the State will collect the samples, and the protein tests will be made by C. E. Mangels, cereal chemist of the Experiment Station at the North Dakota Agricultural College.

The State will be covered very thoroughly, and it is anticipated that more than 1,000 samples will be collected, representative of every county and locality in North Dakota. Both durum and hard spring wheats will be tested. In the preliminary survey bundles of grain will be sent to the college where they will be threshed and the wheat will be tested immediately to give some information on the protein content of the 1927 crop. Later a more complete survey will be made using samples of threshed grain.

North Dakota is the first State in the union to have started protein surveys of the wheat crop, the surveys having been made every year since 1922. Minnesota has been making similar surveys since 1924. Last year North Dakota hard spring wheat averaged very high in protein, 14.23 per cent; in 1925 the average was 12.30 per cent, and in 1924 it was 11.33 per cent.

SUPREME COURT SETS DATE FOR  
EXCESS WOOL PROFITS CASE.

The Supreme Court of the United States has set the excess wool profits case of the United States vs. McFarland for argument on October 3, the opening day of the fall term. The principal points to be decided are the validity of the 1918 Government wool regulations and the meaning of "gross profits" as the term is used in the regulations. There is promise, therefore, that a Supreme Court decision may be obtained early in the winter. If the decision is favorable to the Government all suits pending in Federal District Courts will be pressed for trial and every effort made to clear up this war-time activity. If the decision is unfavorable to the Government the work will be closed up sooner. The excess profits yet to be collected amount to \$710,000.

Case after case of excess wool profits have been won by the Government in the Federal Courts, seven Federal District Judges passing favorably upon the right of the Government to collect this money. One case was lost by the Government in Baltimore, Maryland, affording an opportunity for appeals to the higher courts. It has been understood for several years that a Supreme Court decision would be required before settlement could be obtained from the larger dealers who hold practically half of the total excess profits of \$1,500,000 made on wool during the year 1918, but this is the first opportunity to reach the Supreme Court.

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FARM ADVISORY SYSTEM FIRMLY  
ESTABLISHED IN ILLINOIS.

Illinois farm advisers, or county agricultural agents, of whom there are now 95, have become an integral part of the State's farming industry, as shown by the fact that the percentage of changes in the ranks of these agents runs lower in Illinois than in other States, it is reported by W. H. Smith, State leader of farm advisers at the College of Agriculture, University of Illinois. During the past six years the number of changes in the ranks of Illinois farm advisers has never exceeded more than 18 per cent of the total number in any one year, which was 1923, while one year, 1922, the changes bulked about 9 per cent of the total number of advisers. Last year the number of changes made among farm advisers in the State amounted to less than 15 per cent of the total number, 14 of the 94 agents making changes. At that, only 10 new men were brought into the work as farm advisers, four of the changes being in the nature of shifts from one county to another, according to Mr. Smith.

Farm advisory work is just now entering its sixteenth year in Illinois. Although there are now 96 organized counties out of the 102 in the State, there are only 95 county farm advisers, since two small counties, Marshall and Putnam, have combined in the organization of a farm bureau and the employment of an adviser. Farm advisory work in Illinois is a part of the State agricultural extension service which is organized and administered by the College of Agriculture, University of Illinois, under the Federal Smith-Lever law. A feature of the work is the fact that farmers themselves, through their county farm bureau, have participated in an organized way in financing the work, in shaping the policies of the organization and in building programs of work.



MISSOURI STATE SUPREME COURT RULES FAVORABLY ON  
THE MISSOURI FARM CENSUS ACT

By decision of the Missouri State Supreme Court recently rendered (April Term, 1927) the provisions of the so-called Chambers-Cave Agricultural Statistical or "Farm Census" Act of 1919 are upheld. This is an act providing for the collection of information through county and township assessors concerning actual crop acreages and other essential agricultural and country-life statistics, also for the dissemination of such statistics and for compensation thereof, by the Missouri State Board of Agriculture, with penalties fixed for violation.

The validity of the act was questioned in 1926 and an unfavorable ruling returned by the court. The case was carried to the Supreme Court in a proceeding by mandamus brought by the State Board of Agriculture to compel the assessor of Boone County to accept and receive from the County Clerk of that County the inquiry blanks certified out by the Board, and to obtain for each farm assessed by him approximately correct answers to each question in such blanks and then deliver such information to the County Clerk. Provision is made for such action by Section 11942, R.S. 1919. The respondent in his return declined to do said acts for two reasons:

"(1) Said section of the statute attempts to make it the duty of the assessor to obtain for each farm assessed by him approximately correct answers to each question in such blanks contained, but it does not make it the duty of the owners of farms assessed by him to give to the assessor correct answers to such questions or any information by which he can make proper answers to such questions in such blanks contained, and therefore he cannot deliver such information to the county clerk.

"(2) Said section is class legislation, and is an attempt on the part of the legislature to take a natural class of persons, split that class in two, designate the fractions as two classes, then pass different laws for the government of each class; that by reason of said statute being unconstitutional, illegal and void, the respondent is not in duty bound to accept of such inquiry blanks nor to obtain approximately correct answers to each question in such blanks contained, nor to deliver such information to the county clerk."

The broad provisions of the law are discussed in the opinion of the Court. These are, briefly, the imposition of certain mandatory duties upon the public officials concerned and farm land owners or tenants. The State Board of Agriculture is authorized to collect through the assessors information with reference to crop acreage and

other essential agricultural statistics and to disseminate same. The method of handling the inquiry blanks is specifically indicated, under which the assessors are directed to obtain the desired information. This is to be turned over to the Secretary of the Board of Agriculture within a specified time. The Board is directed to cooperate with the United States Department of Agriculture through the Cooperative Crop Reporting Service of the State of Missouri.

The law provides that any assessor, clerk, or other officer, charged with any duty thereunder, who fails to perform same, etc., shall be guilty of a misdemeanor. Another section of the law relates to the duty of owners or tenants of farm land in furnishing this information. The Court in its ruling confirms the law in this respect, wherein it places upon such owners or tenants the duty of supplying the agricultural statistical material. The county assessor is held by the Court to be charged with the duty prescribed by the law, stating--

"Whether the statute in that respect (with reference to the duty of the owner) is effective, valid or constitutional, is of no concern whatever to the county assessor (State v. Williams, 232 Mo. 56). It is clearly valid as to him. His duties in the premises are clearly and definitely prescribed. When if ever the situation arises in which some land owner refuses to give him the information called for by the Crop Reporting Services of the State and National Governments, he may acquit himself of any implication of failure to discharge his own duty by duly reporting the fact in lieu of the information sought."

-H. F. Fitts.

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#### PUBLICATIONS.

"Varieties of Cotton for the Gulf Coastal Plains of Texas," Texas Agricultural Experiment Station, Bulletin No. 354.

"Effect of Potash Fertilizer on the Carrying Quality of Tomatoes," Texas Agricultural Experiment Station, Bulletin No. 357.

"An Economic Study of the Dairy Industry in Texas," Texas Agricultural Experiment Station, Bulletin No. 358.

"The Effect of Spacing and Time of Thinning on the Yield, Growth, and Fruiting Characteristics of the Cotton Plant in 1925," Texas Agricultural Experiment Station, Bulletin No. 360.

"Spraying for the Control of Fig Rust," Texas Agricultural Experiment Station, Circular No. 47.

"Raspberry Diseases in Iowa," Agricultural Experiment Station, Iowa State College of Agriculture and Mechanic Arts, Circular No. 105.



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### PENNSYLVANIA URGES CONSUMERS TO BUY "GRADED APPLES".

"Buy graded apples this year," the Pennsylvania Department of Agriculture is urging consumers in an effort to increase marketings of the Pennsylvania crop.

A large percentage of the commercial apple crop of the State is to be packed according to the standard grades and inspected at shipping points by representatives of the State Department of Agriculture.

The Pennsylvania standard apple grades are the same as the U. S. standards which are in general use in all parts of the country. Four different grades of apples have been established by the Pennsylvania department, effective July 1.

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### NEW JERSEY TO INSPECT MANY CHICKENS UNDER STANDARDIZATION.

Inspection of 200,000 chickens for the 1927-28 season is to be made by the New Jersey Department of Agriculture under its standardization program. More than 4,000,000 certified baby chicks this season were the product of the plan to standardize Jersey flocks.

New Jersey poultrymen are being urged to send their applications to the Department of Agriculture by September 1, a 3-cent deposit for each bird to accompany applications.

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### NORTH CAROLINA ISSUES WEIGHTS AND MEASURES RULES UNDER NEW LAW.

Rules, regulations and fees to be charged in connection with the weights and measures law passed by the North Carolina General Assembly of 1927 have been announced by Commissioner of Agriculture William A. Graham, effective September 1.

Announcement is made also of the designation of George R. Ross, chief of the Division of Markets, State Department of Agriculture, to act as superintendent of weights and measures, and William H. Richardson editor of publications for the Department, to act as assistant.

CATTLE OUTLOOK FAVORABLE WITH  
HIGHER PRICES IN PROSPECT.

Prospects for the cattle industry during the next year or 18 months appear decidedly favorable but do not justify expansion in breeding herds, says the Bureau of Agricultural Economics in its August cattle outlook report.

Market receipts of cattle and calves during the fall of 1927 are expected to be the smallest for any corresponding period in the last five years. Numbers of cattle on farms and ranges have decreased about 10,000,000 head during that period, most of the reduction being in cattle kept primarily for beef production.

Feed and pasture conditions in most of the range states are reported as unusually good. This abundance of feed together with a relative scarcity of cattle in those areas and the general optimism which now prevades the industry are expected to result in holding back considerable numbers of breeding cattle and young stock, all of which will help to curtail market receipts.

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PENNSYLVANIA SURVEY SHOWS  
HEAVY DAMAGE TO EGGS.

A recent examination by the Pennsylvania Bureau of Markets of a large number of egg shipments at four points in the northern section of the state revealed an average damage of 7.5 eggs per case when the eggs were delivered to the station by farmers for shipment.

All except one of the cases had old packing material, 27 per cent had dirty eggs, 16 per cent had long eggs standing above the fillers, and 2 cases had duck eggs present. The cases varied in weight from 52 to 62 pounds, and the individual eggs ranged from 15 to 32 ounces per dozen. Only three cases contained graded eggs.

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NET FARM RETURN IS LESS  
IN 1926 THAN IN 1925.

Thirteen thousand farmers have reported lower receipts, the same expenses, and lower cash balances from their 1926 operations than in 1925, in the annual survey by the Bureau of Agricultural Economics.

Reports from 13,475 farmers in all parts of the country showed an average net return of \$1,133 against \$1,287 for 15,330 farms in 1925, \$1,205 for 15,103 farms in 1924, \$1,020 for 16,183 farms in 1923, and \$917 for 6,094 farms in 1922.

The average size of the farms reporting for 1926 was 315 acres, with an average investment of \$16,308. Average gross receipts were \$2,448, consisting of \$926 from crop sales, \$394 from sales of livestock, \$589 from sales of livestock products, and \$39 from miscellaneous sales.

Receipts less cash expenses averaged \$975 in addition to which these farmers used home-grown food products valued at an average of \$282.



REGULATIONS FOR ENFORCEMENT OF  
FEDERAL IMPORT MILK ACT ISSUED.

An act to regulate the importation of milk and cream into the United States for the purpose of promoting the dairy industry of the United States and protecting the public health, passed at the last session of Congress, authorizes and directs the Secretary of Agriculture to make and enforce such regulations as may be necessary to carry out the purpose of the act. Enforcement of the act has been assigned to the Food, Drug and Insecticide Administration which also enforces the Federal Food and drugs act and certain other regulatory measures.

Regulations for the enforcement of the Federal Import Milk Act have just been issued by the Department of Agriculture, which regulations explain the procedure for making physical examination of cows, for applying the tuberculin test, the sanitary inspection of dairy farms and of plants handling or shipping milk or cream, the scoring of dairy farms or plants, pasteurizing and determining the bacterial count, and outline the method for obtaining permanent permits required under the terms of the act.

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ECONOMICS BUREAU SURVEYS CIDER  
AND VINEGAR PRODUCTION.

Reports from the larger manufacturers of cider and vinegar to the Bureau of Agricultural Economics show that 65 mills used 143,249 tons of apples from the 1926 crop, which is equal to 5,730,000 bushels of 50 pound, or 2 1/3 per cent of the total crop. More than a third of the apples used were received by rail, the 2,863 cars received representing a little over 2 per cent of the total U.S. carlot movement. The mills reporting made nearly 500,000 barrels of cider or vinegar stock.

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BIG INCREASE IN MILK PRODUCTION  
LAST YEAR IS REPORTED.

The quantity of whole milk produced in the United States last year increased four billion pounds over 1925, according to estimates by the Bureau of Agricultural Economics. Most of the increase was consumed as fluid milk in households, and used in the manufacture of butter and ice cream.

The quantity of whole milk used in 1926 is placed at 120,766,487,000 pounds against 116,505,395,000 pounds in 1925.

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FOUR NEW FEDERAL VEGETABLE  
GRADES ARE ISSUED.

U.S. standards for bunched beets, bunched carrots, spinach, and bunched turnips have been issued by the Bureau of Agricultural Economics, Washington, D.C. Copies may be obtained on application to the Bureau.

MINNESOTA TO GIVE COURSE  
IN ELEVATOR MANAGEMENT.

The Minnesota School of Agriculture at St. Paul, will give a course in local grain elevator management with the beginning of the new school year, October 3. A recent bulletin issued by the school authorities says that every important phase of the management of local elevators will be studied in this course. Full information may be obtained from D. D. Mayne, principal, University Farm, St. Paul, Minn.

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NEW JERSEY STUDIES ECONOMIC  
FACTORS IN TOMATO MARKETING.

Only in transportation charges has New Jersey any decided advantage in tomato marketing, says the New Jersey State Department of Agriculture in an analysis of the situation.

Land values which effect returns on investment and on the amount of taxes paid are higher in New Jersey than in <sup>most</sup> other tomato growing regions. Labor, one of the chief items in cost of production, is averaging New Jersey farmers \$1.65 a day without board. Containers were found to be a big expense, New Jersey growers paying for their containers 10 per cent of the price their tomatoes bring in New York.

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MEXICAN FRUIT WORM QUARANTINE  
IS ORDERED BY FEDERAL DEPARTMENT.

Movement of fruit from the district in Texas infested by the Mexican fruit worm will be governed on and after August 15 by quarantine regulations issued by Secretary of Agriculture Jardine on August 10. The products affected include grapefruit, oranges, and all other citrus fruits except lemons and sour limes; also peaches, apples, pears, plums, mangoes, sapotas, quinces, apricots, Mameys, ciruelas and guavas. None of these may be shipped from the regulated areas, except grapefruit and certain other approved fruits which may be shipped under permits issued by the Federal Department of Agriculture.

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"RAM SPECIAL" TO TEACH MARKETING  
IN EASTERN WEST VIRGINIA.

A "Ram Special" will be run over the F. & O. Railroad in Central and eastern West Virginia the last week in September to bring to sheep raisers the best known practices in production and marketing, and to aid breeders in securing purebred rams for their flocks. More than 100 purebred rams will be carried on the special to fill orders which have been placed by farmers along the route to be travelled by the train. The tour is under the direction of the West Virginia Extension Service.



PENNSYLVANIA COOPERATIVE BUYING  
AND SELLING SHOWS INCREASE.

Pennsylvania farmers transacted a business of \$35,177,010 through their cooperative buying and selling corporations in 1926, which is an increase of 13.2 per cent over the 1925 business, according to figures compiled by the Pennsylvania Bureau of Markets. The largest increase in business was in the cooperative marketing of milk.

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NEW YORK CITY MILK DEMAND UP  
85 PER CENT IN FIFTEEN YEARS.

The demand for milk in the New York metropolitan area is 85 per cent more than in 1912, according to Prof. H. A. Ross of the New York State College of Agriculture. The quantity of milk used was found to vary greatly from day to day and from week to week, the demand for cream depending somewhat on the location of the consumer. In middle-class residential districts, the Sunday demand is three times that of week days. Considering all classes of milk sold, the demand on Sunday decreases approximately 10,000 cans. On all holidays, the demand for pints and for bulk milk decreases but the demand for cream at retail usually increases. At Christmas and Thanksgiving, 85 per cent more cream is used than usual, and in some sections four times as much is used. Day to day changes in temperature also have a marked influence on the quantity of milk used.

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TEXAS REPORTS ON ECONOMIC STUDY  
OF DAIRY INDUSTRY IN THAT STATE.

An economic study of the dairy industry in Texas has been completed by the Texas Agricultural Experiment Station, and published as Bulletin 358. Although the production of milk in Texas since 1870 has increased greatly, Texas still has a very low average production as compared with dairy states. Data collected from four retail distributing plants in 1922 showed that the producer gets 44.6 cents and the distributor gets 55.4 cents of the consumer's dollar spent for retail milk in Texas, the distributor's spread being 7.9 cents per quart of milk. Copies of the bulletin may be obtained upon application to the Texas Station.

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FEDERAL REPORT ON SOUTHERN PEACH  
AVAILABLE FOR DISTRIBUTION.

The results of the peach survey made by the Bureau of Agricultural Economics in the Southern States, and which has attracted wide attention recently, are now available in United States Department of Agriculture, Department Circular 420. The circular discusses the present peach situation, future production, danger line in production, market outlets, effect of size and grade on net returns to growers, and adjustments in production of varieties.

RECENT PUBLICATIONS.

"Marketing Colorado Lettuce, Summary of 1926 Season," mimeograph report issued by the Bureau of Agricultural Economics and the Colorado Extension Service, cooperating.

"Marketing Michigan Apples, Summary of 1926 Season," mimeograph report issued by the Bureau of Agricultural Economics and the Michigan Department of Agriculture, cooperating.

"Local Cotton Marketing in Texas," mimeograph report issued by the Bureau of Agricultural Economics in cooperation with the Texas Agricultural Experiment Station.

"Dairy-Herd Improvement through Cooperative Bull Associations," U.S. Department of Agriculture Farmers' Bulletin 1532.

"Large-Scale Cotton Production in Texas," Bulletin 362 issued by the Texas Agricultural Experiment Station.

"Yield Tests of Disease-Resistant Sugar Canes in Louisiana," U. S. Department of Agriculture, Department Circular 418.

"Irrigated Crop Rotations in Western Nebraska," Technical Bulletin 2 issued by the U. S. Department of Agriculture.

"Publications of the U.S. Department of Agriculture," Miscellaneous Circular 103, issued by the Department of Agriculture.

"Pasture Improvement," Circular 47 issued by the West Virginia Agricultural Experiment Station.

"The Control of the Alfalfa Weevil," U. S. Department of Agriculture, Farmers' Bulletin 1528.

"Some Effects of Freezing on Onions," U.S. Department of Agriculture Circular 415.

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OKLAHOMA growers of broomcorn have indicated their intention of using the Federal-State Inspection Service, which will be handled through the Oklahoma State Market Commission.

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SPECIAL FEDERAL REPORT ISSUED  
ON GRAPE MARKET OUTLOOK.

A special mimeographed report, "The Grape Market Outlook", may be obtained from the Bureau of Agricultural Economics, Washington, D.C. The report indicates lighter production in the East, a heavy crop in California, a market increase in production in recent years, and discusses important marketing factors.

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## MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

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Miss E. L. Day,  
Room 308, Bieber Bldg.,  
Bu. of Agr'l Econ.,

August 24, 1927.

Vol. 7, No. 34

SEED VERIFICATION SERVICE  
BEGUN BY ECONOMICS BUREAU.

Establishment of a seed verification service, effective September 1, for verifying the origin and identity of field seeds in commerce, is announced by the Bureau of Agricultural Economics.

The proposed service is the outgrowth of recommendations made at seed marketing conferences at Chicago in 1926, the plan being approved subsequently by the International Crop Improvement Association and Wholesale Grass Seed Dealers' Association (now Farm Seed Association of North America).

Only the verification of origin and identity of seeds is contemplated. The origin of a given lot of seed sold by an authorized vendor of inspected seed may, by an examination of records by a Federal seed inspector, be traced back to the place the seed was produced. Such records would cover all lots of seed from the time they are received from the grower until they leave the seedsmen's warehouses. Files of samples of all lots offered for sale would afford another check on the identity of these lots.

Under the proposed plan, seedsmen who comply with the regulations and provisions of the Department of Agriculture governing the service, may issue United States verified-origin seed certificates on seeds which have been previously verified as to origin by an authorized inspector.

Seedsmen who wish to use the service for the fiscal year ending June 30, 1928, should file application with the Bureau of Agricultural Economics not later than September 1, 1927, and as soon as possible thereafter, the supervising seed inspector will visit those who have made application for the service to investigate the methods of keeping records, storing stocks of seeds, preserving samples, etc., so as to determine whether the applicant can readily comply with the regulations and provisions governing the service.

The outstanding feature of the service is the United States verified-origin seed certificate which will be used on tags or labels by seedsmen authorized by the department to issue it. Those who are given the privileges of the service may announce the fact, in a form approved by the bureau, on letterheads, circulars or other advertising matter.

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"PRACTICES AND COSTS OF COTTON-GIN OPERATION IN NORTH-CENTRAL TEXAS, 1924-25" are analyzed in Technical Bulletin No. 13, just issued by the U.S. Department of Agriculture.

SOUTH'S DAIRYING ACTIVITIES  
PRESENT MARKETING PROBLEMS.

Louisiana dairymen are being informed by the Louisiana Agricultural College and the Agricultural Bureau of the New Orleans Association of Commerce that New Orleans dealers are receiving more milk than they can sell, and are urging producers to make other uses of their products.

"The increase in dairying in Southern states," according to a recent announcement, "has developed problems in milk marketing. Many distant farmers are looking to New Orleans as a market for whole milk. This is not advisable because at present the city is receiving more milk than the market can use. Dairying has been profitable and many of the nearby farmers who produce market milk have added greatly to their herds and are now supplying dealers with more milk than they can sell. The surplus in one New Orleans milk plant is being condensed in order to find a market for it.

"Farmers at great distances from the city can have little hope for marketing their whole milk in New Orleans as nearby farmers are able to get the milk to market easier and at less expense, and naturally the market is theirs. Other outlets for milk are to be found at cheese factories and condenseries. These places pay cash for the milk they can use. If none of these are handy for a farmer there is always the alternative of separating the cream and selling it to a creamery or cream station. This method of marketing the milk supply is advisable because a cash market is always available, and because it provides skim milk to be used in feeding calves, hogs, and chickens."

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COOPERATIVE MARKETING DIVISION  
STUDYING FARMERS ORGANIZATIONS.

Business analyses of individual farmers cooperative organizations being made by the Division of Cooperative Marketing in the U.S. Department of Agriculture are expected to yield valuable information on the reasons for successes and failures in this type of marketing.

Organizations now being studied by the division include the Tri-State Tobacco Growers Cooperative Association, the Rice Growers Association of California, the Poultry Producers of Central California, and the Producers Livestock Commission Association of National Stockyards, Illinois.

Results of previous studies along this line have proven of great value to farmers, and elicited much interest among cooperative officials and directors. The information thus obtained is also being used widely by colleges in courses of instruction in cooperative business. The business analyses in all cases are made at the request of the board of directors of the associations.

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"COOPERATIVE EXTENSION WORK IN AGRICULTURE AND HOME ECONOMICS" has been issued by the New Jersey State College of Agriculture, New Brunswick, N.J., as Extension Bulletin 63.



VIRGINIA ISSUES REGULATIONS  
FOR INSPECTION OF FARM PRODUCTS.

Rules and regulations for voluntary inspection of fruits and vegetables in Virginia, effective September 1, 1927, have been issued by the Virginia Division of Markets.

The Division of Markets provides three kinds of voluntary inspection on fruits and vegetables for producers and shippers, namely; Federal-State Inspection, State Certificate Inspection, and State Supervised Inspection.

A cooperative agreement is maintained with the Federal Bureau of Agricultural Economics by which voluntary inspections are made at shipping points, principally on car lots of fruits and vegetables, but less than car lots may be inspected. Joint Federal-State certificates are issued.

State certificates are issued on fruits and vegetables in carlots or less than carlots, primarily, for the purpose of meeting quarantine requirements of other states and foreign countries against products being shipped from Virginia for commercial use. These certificates are issued frequently by the same inspectors who make the Federal-State inspections and upon the same products.

State Supervised Inspection is that whereby inspectors visit farms and packing houses of producers for the purpose of securing uniformly and properly packed products. This type of inspection has been carried on largely among apple growers, but some has been done among spinach producers and growers of hot-bed products.

J. H. Meek, Director of the Division of Markets, reports that Federal-State inspection on fruits and vegetables more than doubled during the year ending July 1, 1927, compared with the previous year.

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NEW YORK SHORT COURSE TO EMPHASIZE  
GRADING, PACKING, AND DISTRIBUTION.

Vegetable growers in charge of the short course in vegetable growing which the New York State College of Agriculture offers this winter, will emphasize grades and grading, packages and packing, and transportation and storage. Shipping point and terminal inspection of vegetables will be stressed, with some attention to market news services. These phases of marketing, declare college officials, are becoming more important to growers as a means of getting maximum returns for their products.

Fruit men at the college declare that peaches, apples, or pears packed in baskets bring better prices if they are ringfaced, as this provides a uniform surface so that each fruit in the face receives part of the pressure of the cover.

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WEST VIRGINIA UNIVERSITY COLLEGE OF AGRICULTURE announces a new course in Agricultural Business and Marketing which will be offered as a regular course beginning with the 1927-28 seasons. "This is a step," says the announcement, "to make available to young men a training which will fit them for a broader field of activity than is offered in the present agricultural course."

NEW YORK APPLE GRADING LAW  
DESCRIBED BY MARKETS COMMISSIONER.

The chief features of the new apple grading law which went into effect in New York State August 10 are outlined as follows by Commissioner Berne A. Pyrke of the Department of Agriculture and Markets, charged with administration of the legislation.

"The fundamental idea back of the amendment of the State apple grading law was to eliminate the confusion which has resulted from having two sets of legal apple grades in New York, the so-called Federal grades and the New York State grades.

"The Legislature has authorized the Commissioner of Agriculture and Markets to establish and promulgate grades for apples. Under this authorization new grades have been established, effective August 10, 1927. The new grades are practically identical with the U.S. apple grades. The only change of substance is in respect to the facing of the apple package. Under the new grades the requirement is that 'each package shall be packed so that the face or shown surface shall be an average of the contents of the package.'

"The above requirement does not prohibit an artistic or attractive face upon the package, but it does forbid the facing of the package with the largest, the highest colored, and the best quality of apples in the package.

"The old apple grading law was essentially a packing law, i.e., the requirements applied to the quality of the apples at the time when packed rather than when offered for sale. The new law is much broader in its scope. It puts definite obligations upon those who sell apples, as well as upon those who pack apples for sale.

"The new law forbids the sale of apples in either open or closed packages accompanied by any statement, design, or device regarding the apples which is false or misleading in any particular. This prohibition applies to all persons who sell, offer for sale, or transport for sale apples in either open or closed packages, and applies whether the apples are grown in New York State or elsewhere.

"The new grades also seek to correct the abuses growing out of the sale of bruised apples, the bruises usually being caused by the packing processes. Apples which are substantially bruised cannot qualify for the upper grades, namely, U.S. Fancy, U.S. No. 1, or U.S. Commercial."

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WESTERN STATES COOPERATE IN  
METHODS OF MARKETING ALFALFA SEED.

Closer cooperation between Western States in the production, advertising and selling of registered Grimm and Cossack alfalfa seed, was the object of meetings of State seed specialists held in Montana last week under the direction of A.J. Ogaard, Extension Agronomist at Montana State College.

A movement was started to bring about a uniform system of alfalfa seed inspection and registration in Utah, Idaho and Montana, and a joint advertising plan was proposed for the registered seed produced in the Northwest.



RAILROAD HELD LIABLE FOR DAMAGE TO PERISHABLE  
AGRICULTURAL PRODUCTS.

Another case involving the question of liability of a railroad company for damages on account of the condition, upon delivery to consignee, of perishable agricultural products received by it for transportation, has been decided by the Supreme Court of Appeals of Virginia. This is the case of C. & O. Ry. Co. v. W. C. Crenshaw & Co. (138 S.E. 467), the consignment being 465 crates of honeydew melons shipped in a refrigerator car. Judgment of trial court for plaintiff is affirmed. Cases wherein the questions at issue were similar have previously been reported in "Marketing Activities." See Vol. 7, No. 24, page 154, the cases being C. & O. Ry. Co. v. Crenshaw, (137 S.E. 515), and C. & O. Ry. v. Timberlake, Currie & Co. (137 S.E. 507). The statement is made in the present case that the conclusions reached by the court will necessarily dispose of pending motions to rehear these two other cases.

The defendant railroad's contention is that a carrier does not guarantee or insure the delivery in a sound condition of perishable goods such as melons which contain in themselves elements of destruction, but is only required to exercise reasonable care and diligence to protect such goods and deliver them at destination with despatch; that where the damage to perishable goods shows that such damage could not have accrued but for the inherent tendency of the goods themselves to deteriorate and decay the burden of proof is on the shipper to show negligence by the carrier.

The trial court's instruction to the jury was to the effect that the defendant is not liable for damage which may be due to the inherent nature of the melons to decay; that if the jury found the damage was due to this cause it should find for the defendant; but further instruction was given that burden of proof of establishing the defense is upon the defendant.

In its decision the Supreme Court of Appeals reviews the findings in other cases where like questions were under consideration, and quotes, with approval from opinions rendered in the cases of Penna. R.R. Co. v. Naive, 112 Tenn. 239, 79 S. W. 124, 64 L.R.A. 440; Central R.R. Co. v. Hasselkus, 91 Ga. 382, 17 S.E. 838, 44 Am. St., Rep. 39; Transportation Co. v. Bloch Bros., 86 Tenn. 392, 6 S.W. 881, 6 Am. St. Rep. 861. In concluding, the court stated.

"While there is respectable authority supporting the contention of the defendant, we think the weight of authority supports the conclusion that the burden is on the carrier to show that it is not responsible for damages which accrue to perishable goods delivered in good condition to a carrier by the consignor and received in bad condition by the consignee."

"The reason for this conclusion is, we think admirably stated in 4 R.C.L. Sec. 176, as follows:

'The carrier's exclusive possession of evidence, the difficulties under which the bailor might labor in discovering and proving the carrier's fault, his inability to con-

tradict the carrier's witnesses, the necessity of avoiding the investigation of circumstances impossible to be unraveled, the importance of stimulating the care and fidelity of the carrier, and the convenience of a simple, intelligible, and uniform rule in so extensive a business, in other words, commercial necessity plus public policy and convenience, constitute much broader grounds and are the basis for the acceptance of the rule at the present time.

'In its application there is less of hardship than has sometimes been supposed; for while the law holds the carrier to an extraordinary degree of diligence, and treats him as an insurer of the property, it allows him, like other insurers, to demand a premium proportioned to the hazards of his employment. At all events, such severity as may inhere in the rule seems necessary to the security of property, and the protection of commerce; it is founded on a great principle of public policy; it has been approved by many generations of wise men; and if the courts were now at liberty to make instead of declaring the law, it may well be questioned whether they could devise a system which on the whole would operate more beneficially.'"

-H. T. Fitts.

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#### ILLINOIS BULLETIN DISCUSSES CORN STORAGE COSTS.

Shrinkage of the grain and changes in the grade of it while it is in storage are the two most important factors, outside of chances for changes in the corn price level, in deciding the question of the best time to sell corn from the farm, according to L. F. Rickey, grain marketing specialist of the Illinois College of Agriculture, and author of a new bulletin, "Costs of Storing Corn on the Farm" which is to be released soon by the experiment station of the college. Three other items which must be considered, says Mr. Rickey, are interest on the money tied up in the corn, interest and depreciation charges on the crips used, and insurance against loss from fire and storms.

The new publication is the first to be issued by the experiment station under the enlarged program of research in social, economic and distribution fields made possible by the passage of the Purnell Act by Congress in February, 1925.

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"RURAL ORGANIZATIONS IN RELATION TO RURAL LIFE IN VIRGINIA, with special reference to organizational attitudes, has been issued by the Virginia Agricultural Experiment Station, Blacksburg, Va., as Bulletin 256.



# STATE AND FEDERAL MARKETING ACTIVITIES AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL  
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

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August 31, 1927.

Vol. 7, No. 35.

## SURVEY SHOWS NINE STATES WITHOUT STANDARD CONTAINERS.

A survey of State standardization of fruit and vegetable containers, made by the Bureau of Agricultural Economics, discloses nine States which have no laws on the subject. These include Arizona, Colorado, Delaware, Georgia, Louisiana, North Dakota, Oklahoma, Tennessee, and Wyoming.

All other States and the District of Columbia have authority to establish standard containers, and in practically all cases these States have standardized one or more types of containers including berry boxes, grape baskets, apple barrels and boxes, hampers, round stave baskets, splint or market baskets, climax baskets, and till baskets.

The bureau has prepared a mimeographed list of States which have standardized various types of fruit and vegetable containers, together with the title and address of the enforcing official in each State. Copies of the list may be obtained from the Bureau of Agricultural Economics, Washington, D. C.

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## GOVERNMENT SERVICES AID POTATO GROWERS IN MARKETING CROP.

Extensive information service including shipping point and consuming market reports on supplies and prices, and estimates of production, has been established by the Bureau of Agricultural Economics as an aid to potato growers in marketing their crop.

The wide extent of the potato production area; the extreme distances that are practicable for shipments; the long crop season; the competition of the crops of different seasons; the seasonal variations in volume, time of movement, and quality of crop; combined with market conditions in general, make potato marketing a complicated undertaking which requires nation-wide information on the production, movement, and requirement phases of the industry if the best financial results are to be obtained.

A new bulletin has just been issued by the bureau which furnishes a fairly accurate picture of the areas of potato production, the location of leading markets and their sources of supply, the time and volume of the crop movement, the areas that meet in competition in the markets, and the extent of the market requirements as they have occurred during the six years 1920-25. Write the bureau for copies of Technical Bulletin No. 7-T, entitled "Origin and Distribution of the Commercial Potato Crop."

CROPS PRESENT VARIED PICTURE  
TOWARD CLOSE OF SEASON.

The crops present as varied a picture now toward the close of the season as they have since spring, according to the September 1 issue of the "Agricultural Situation" issued by the Bureau of Agricultural Economics.

"Wheat has turned out well while cotton promises anything but a big yield. Hay was a record crop while corn is a partial failure. Corn is still a great uncertainty, a substantial portion of the crop requiring almost a miracle of good weather to mature. Potatoes give promise of a fairly large production though blight has become evident locally through the East. The hay crop this year was by far the largest ever grown; rainy weather, however, made it difficult to secure the latter part of the crop. Apples promise to yield about half as great a supply as last year, being better in western than in eastern districts.

"The most striking late development in crop prospects has been in cotton. The weevil menace has been apparent for two months and now the toll has become heavy throughout the East, centering in Georgia, with the damage rapidly spreading into the West. However, with late forecasts indicating a cotton crop which will no more than meet consumptive needs, the consequent upturn in cotton prices bids fair to give the South a greater total income than it received from last year's record crop."

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CANADIAN GOVERNMENT MODIFIES  
EMBARGO ON AMERICAN PEACHES.

The Canadian Government has lifted the embargo on fresh peaches and peach nursery stock imported from the United States into Canada, except the Provinces of Ontario and British Columbia, according to an Order in Council signed recently.

Under the amended regulations the embargo against the importation of fresh peaches and peach nursery stock into the Provinces of Ontario and British Columbia from all States east of the Mississippi and St. Croix Rivers continues in effect. Importation of these products from the States of Arkansas, Louisiana, Missouri, and Texas into British Columbia are also prohibited. No restrictions are imposed against the importation of peaches and peach nursery stock into British Columbia from States west of the Mississippi River other than the four States named.

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NEW YORK DAIRY COURSE TO INCLUDE  
ECONOMICS AND FARM MANAGEMENT.

An intensive, special course in agricultural economics and farm management for dairy farmers will be included in the winter short courses at the New York State College of Agriculture. Business and marketing problems will be studied including cost of producing milk; milk and feed prices; the milk marketing situation; supply and demand, and cooperative associations.



MASSACHUSETTS ECONOMIST WOULD  
INCREASE FRUIT CONSUMPTION

Improvement in fruit marketing methods, and efforts directed toward increasing consumer demand, are declared by Prof. F. C. Sears, Massachusetts Agricultural College, as essentials of improved marketing.

"With apples in particular," he says, "but to a large extent with other fruits as well, the present difficulty is not over-production but under-consumption. From 1890 to 1920 there was approximately a 50 per cent gain in the population but only a 20 per cent increase in the production of apples. Yet in 1926 our apple crop moved slowly. Whether this is due to the fact that we are eating more fresh vegetables in the winter than in years past, or to some other cause, there is no question that our rate of consumption per capita has declined."

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MISSOURI AND IOWA MAKE  
SOILS IMPROVEMENT CAMPAIGN.

A soils campaign over the Chicago, Burlington and Quincy Railroad in Missouri and Iowa consisting of two cars of exhibits on lime and legume subjects and a soils laboratory and conference car was operated successfully in July and August under the cooperative activities of the Railroad, the Missouri College of Agriculture, and Iowa State College. A total of 7,130 people visited the special in Missouri, and 11,006 people in Iowa.

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WEST VIRGINIA OFFERS BUSINESS  
COURSE IN AGRICULTURE.

A new course, "Agricultural Business and Marketing" is being offered by the West Virginia College of Agriculture, beginning with the coming fall session. The course gives a good background in general agriculture, and provides for additional training in general accounting, farm cost accounting, farm management, agricultural statistics, marketing agricultural products, auditing, business law, money, credit, and banking, and other business subjects.

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VEGETABLE GROWERS NEED  
STRONGER COOPERATIVE ORGANIZATION.

Stressing the need for stronger cooperative organization among vegetable growers, A.W. McKay, Bureau of Agricultural Economics, told the convention of the National Vegetable Growers' Association at Syracuse, N.Y., August 25, that "cooperatives can put their product in the best possible condition for sale, standardize grades and packs, eliminate undesirable varieties, and encourage better production under a pooling system that makes returns according to quality."

WEST VIRGINIA POULTRYMEN  
FORM SELLING ORGANIZATION.

West Virginia poultrymen have plans under way for a selling division of the West Virginia Poultry Producers' Association. This agency will be organized in the central and western part of the State including the counties of Wood, Jackson, Calhoun, Ritchie, Pleasants, Wirt, and Roane, in particular, and such others as may find it desirable to come into the association. There will be a central grading, packing, and demonstration warehouse at Parkersburg from which carload lots of eggs may be readily shipped to any of the leading markets of the country.

Cooperating in the enterprise are the West Virginia Farm Bureau, the State Department of Agriculture, the Agricultural Extension Division of West Virginia University, and the Parkersburg Chamber of Commerce. It is expected that about 500 poultrymen with from 50,000 to 65,000 hens will become members of the association which is to begin operations about December 1.

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NORTH DAKOTA PRODUCTION COSTS  
ARE BELOW MARKET PRICES.

Cost of producing wheat, rye and flax upon North Dakota farms this year is considerably below prevailing market prices, according to calculations made by Rex E. Willard, farm economist at the North Dakota Agricultural College, based on estimates of yield and cost secured from more than 100 farmers in all parts of the State. These figures show an average cost of \$1.05 per bushel for production of hard spring wheat, 87 cents per bushel for Durum, 73 cents for rye and \$1.70 for flax. On a yield of eight bushels per acre, Mr. Willard estimates the cost of wheat to be \$1.38; 10 bushels \$1.20; 12 bushels \$1.06, and 14 bushels 95 cents.

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NORTH CAROLINA OUTLINES AGRICULTURAL  
PROGRAM FOR STATE.

An "effective agricultural program" for farmers of North Carolina, as outlined by E. C. Brooks, President, North Carolina State College, would embrace the following five factors:

(1) Economic production; (2) farm management; (3) marketing; (4) home economics, and (5) an educational system which will provide instruction in economic production, farm management, marketing, and home economics for youth and adults on a county-wide basis.

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"MARKET PROSPECTS FOR MAIN-CROP ONIONS" is the title of a special mimeographed report, now available from the Washington office, Bureau of Agricultural Economics.



LOSS TO AGENT IN HANDLING AND SALE OF  
SWEET POTATOES AWARDED AGAINST SHIPPER.

The Supreme Court of Arkansas in a recent case, before it on appeal from the Saline Circuit Court, reported in 295 S.W. 23, upheld the verdict of the trial court in favor of the plaintiff.

The Pacific Fruit and Produce Company brought suit against Mrs. J. G. Kelley for an accounting in the matter of handling and sale of three cars of sweet potatoes shipped by defendant from Benton, Arkansas, to Portland, Oregon. It appears that instructions were given to dispose of the three cars at a price of \$3.50 per bushel if the Fruit Company could use them at that price. The company immediately wired shipper that the market for sweet potatoes was over-stocked, and advised that the cars be diverted to some other point. This, however, was not done on instructions from the shipper. Upon arrival of the cars, the potatoes were found to be badly decayed, and also the market value at the time was only \$2.75 to \$3 for potatoes in good condition. Plaintiff notified defendant it could not take the potatoes out and pay the amount for which defendant had drawn on it. As a result, defendant wired the bank to reduce draft to \$1.50 per bushel, and plaintiff was asked to take up draft for the reduced amount, handle the potatoes for account of defendant and remit whatever additional price they would bring, and to draw on defendant if they should sell for a lower price. Several days elapsed before the bank received notification of the reduction in the amount of draft. Plaintiff sorted the potatoes and sold them to the best advantage and sent itemized account to defendant.

The transaction resulted in a net loss to the plaintiff of over \$1200, and upon refusal of defendant to pay plaintiff this amount and commission for handling, making the total amount due something over \$1700, the plaintiff instituted this action. The trial resulted in a verdict for plaintiff for the amount of loss which was sustained. This did not include the amount claimed as commission for handling. Upon appeal, the exceptions noted by defendant to instructions to the jury were passed upon by the court, but no reason was found to alter the judgment of the trial court.

- H.F.Fitts

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GENERAL FARM PRICE LEVEL  
ADVANCES DURING AUGUST.

The general level of farm prices advanced during the past month from 130 per cent to 132 per cent of the pre-war level, according to the August 31 price report of the Bureau of Agricultural Economics. At 132 the index is 1 point below a year ago. The continued advance in corn, cotton, flaxseed, hogs, beef cattle, veal calves, eggs and wool accounted for the two point rise in the farm price index.

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PROFESSOR FRANK B. MORRISON, University of Wisconsin, has been appointed director of experiment stations in New York State to succeed Dr. R.W. Thatcher, resigned recently to become president of Massachusetts Agricultural College.

RECENT GOVERNMENT PUBLICATIONS.

The following publications may be obtained from the Department of Agriculture, Washington, D.C.

"Beginnings of Cooperative Dairy Organizations," mimeograph report issued by the Bureau of Agricultural Economics.

"Marketing Wisconsin Potatoes, Summary of 1925-26 and 1926-27 Seasons," mimeograph report issued by the Bureau of Agricultural Economics.

"Marketing Colorado Lettuce, Summary of 1926 Season," mimeograph report issued by the Bureau of Agricultural Economics.

"Official Standards of the United States for the Inspection and Certification of Hay," Service and Regulatory Announcement No. 106.

"Further Studies on Flag Smut of Wheat," Department Circular 424.

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RECENT STATE PUBLICATIONS.

The following publications may be obtained from the organizations issuing them.

"Summer Finishing of Beef Cattle in Tennessee," Publication 149, Tennessee Agricultural Extension Service, Knoxville, Tenn.

"Testing Fertilizers for Missouri Farmers, 1926", Bulletin 251, Missouri Experiment Station, Columbia, Mo.

"The Horse and Mule Outlook," Circular 157, Missouri Experiment Station, Columbia, Mo.

"Steps in the Ton-Litter Method of Feeding Hogs," Publication 147, Tennessee Agricultural Extension Service, Knoxville, Tenn.

"Pastures for Hogs," Circular 158, Missouri Experiment Station, Columbia, Mo.

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SURVEYS USE OF COTTON BAGS  
IN WHOLESALE GROCERY TRADE.

A survey of the use of cotton bags in the wholesale grocery trade, just completed by the Bureau of Agricultural Economics, indicates that to replace sacks that are made of materials other than cotton, with cotton bags, would provide an additional market for 750,000 bales of raw cotton and cotton waste.

A preliminary report of the survey may be obtained from the Bureau of Agricultural Economics, Washington, D.C.



## MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

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Vol. 7, No. 36

DEL-MAR-VA SWEET POTATO MEN  
CONFER ON MARKETING PROBLEMS,

A conference of sweet potato growers, shippers, storage operators, bankers, agricultural extension and experiment station representatives and transportation officials was held at Pocomoke City, Md., August 9, called by Dr. F. B. Bomberger, chief of the Marketing Bureau of the Del-Mar-Va. Eastern Shore Association to discuss the present status of the sweet potato industry in the Eastern Shore sections of Virginia, Maryland, and Delaware, and to determine whether any changes could be made advantageously in present methods of production, storage and distribution.

A complete report giving the results of the 1926 sweet potato marketing deal in this area has been prepared by the U. S. Bureau of Agricultural Economics, mimeograph copies of which may be obtained upon request to the bureau at Washington, D. C.

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NEW ENGLAND SCHOOL OF MARKETING  
TO BE MADE A PERMANENT INSTITUTION.

The success of the school of marketing and institute of cooperation held at Storrs, Conn., August 16-19 by the Connecticut Agricultural College, cooperative associations of the State, and the Division of Cooperative Marketing of the Bureau of Agricultural Economics was such that it is planned to make the school one of the permanent institutions of New England. One hundred and fifty students registered for the classes - farmers, officials of State bureaus of markets and agricultural colleges, county agents, vocational teachers, and directors, managers and field men of cooperative associations.

Out of a discussion of the marketing of tobacco, which was one of the more interesting discussions that took place, strong sentiment developed in favor of a study of the tobacco marketing situation in Connecticut by the Bureau of Agricultural Economics in cooperation with Connecticut Agricultural College. Special attention was given by the school to problems of the milk producers, fruit and vegetable growers, and poultry producers of New England.

The next school is planned for Amherst, Mass., in 1928.

SURVEY FIVE CORN BORER STATES  
TO SHOW RESULTS OF CAMPAIGN.

The field survey began August 15 to determine the corn borer investment of the 1927 corn crop in the area covered by the \$10,000,000 control campaign in Ohio, Michigan, Indiana, New York and Pennsylvania will be completed about September 30, the U. S. Department of Agriculture has announced. Approximately 850 townships are being surveyed, involving five cornfields per township. Within each field a census is taken by corn borer experts experienced in locating the destructive borer.

When the campaign was authorized by Congress, the department considered eradication of the corn borer impossible. The spring clean-up campaign conducted in cooperation with the State departments of agriculture and the agricultural colleges in the infested area was therefore an intensive effort to slow down the natural spread of the borer into the Corn Belt and to delay commercial damage in territory already infested. The results of the survey will show to what extent this campaign was successful.

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PENNSYLVANIA URGES CONSUMERS  
TO BUY GRADED PEACHES ONLY.

The Pennsylvania Department of Agriculture is advising consumers that in purchasing peaches they will find the "U. S. No. 1" grade generally satisfactory as such fruit must be sound, clean, well formed, and mature but not overripe. If buyers want to be sure of securing fruit of bright color for the variety, says the department, they should endeavor to purchase the "U. S. Fancy" grade. In either case, according to the department, consumers can be assured that the fruit will be the same grade from the top to the bottom of the container.

Most of the carlot shipments from Franklin, Adams, Cumberland, York and Berks Counties are being packed according to the new standard peach grades, and inspected by representatives of the Pennsylvania Department of Agriculture.

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CORN COST 50 CENTS A BUSHEL  
ON 22 IOWA FARMS.

Corn production costs averaged 49.6 cents a bushel on the farms of 22 farmers in Iowa County who kept complete cost accounts in cooperation with agricultural economists of Iowa State College and the U. S. Department of Agriculture.

While the average was 49.6 cents, some of the farmers produced corn as low as 36 cents a bushel, while with others the costs mounted to 74 cents. That these 22 farmers are better than the average is inferred from the average yield they obtained. Their corn averaged 55.8 bushels to the acre, compared with 45.1 for all of the farms in Iowa County last year.



VIRGINIA REPORTS RECORD IN  
HATCHERY INSPECTION WORK.

More than 3,000,000 baby chicks will be hatched next spring from flocks inspected by representatives of the Virginia Division of Markets, and blood tested for Bacillary White Diarrhea in the laboratory at the State Agricultural College, according to J. H. Meek, director of the Division of Markets.

The first year the service was available, more than 900,000 baby chicks were hatched from eggs laid by certified flocks; the second year 33,243 birds passed the inspection and were certified, and from those flocks over 1,100,000 baby chicks were hatched.

The first year flock owners received \$4,000 more for their eggs on account of having certification, and the second year the returns were increased \$5,000.

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DENVER RADIO STATIONS BROADCAST  
DAILY OFFICIAL MARKET NEWS.

Current market news is being broadcast by the Denver offices of the U. S. Department of Agriculture over radio stations KOA and KFXF. The programs, which began August 25, consist of weather reports, livestock and produce markets, road reports, fruit and vegetable shipments and other information. The service is daily except Sunday.

The market news service of the Bureau of Agricultural Economics, U. S. Department of Agriculture, in cooperation with the Extension Service, Colorado Agricultural College, is preparing the program.

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FARM REAL ESTATE VALUES  
DECLINE IN PAST YEAR.

Farm real estate values declined sharply during the crop year just ended, being placed at 119 per cent of the pre-war level, against 124 in 1926, in the Department of Agriculture's new index of farm real estate values. The decline is part of a continued depreciation during the past seven years from the peak of 169 per cent of pre-war in 1920. Present values are at about the 1927 level.

The decline during the past year was not to be wholly unexpected, says the department, on account of the marked decrease during the year in the price of certain of our major farm products, the sharp drop in farmers' incomes, and a generally inactive farm real estate market. There are plenty of farms for sale, with buyers few and cautious. In a number of areas there are still many foreclosed and other distress farms hanging over the market to keep values down.

The largest decline last year was in the South Atlantic States for which the department's index is 137 compared with 148 in 1926. The index for the East North Central States is placed at 103 against 110 in 1926; West North Central States 115 against 121; East South Central States 133 against 139, West South Central 139 against 144; Middle Atlantic 111 against 113; Mountain 101 against 103; New England 127 against 128, and Pacific 143 against 144.

HEAVY LOSS OF LIVESTOCK  
IN MISSISSIPPI FLOOD AREA.

More than 225,000 head of horses, mules, cattle, swine, and over 1,300,000 poultry were lost in the Mississippi River flood area which covered 4,417,500 acres in 124 counties or parishes as a result of levee breaks and swollen local streams during May, June and July, according to a summary of estimates of the Mississippi flood area by the Bureau of Agricultural Economics.

Livestock losses included 25,325 head of horses and mules; 50,490 head of cattle; 148,110 head of swine; 1,300 head of sheep, and 1,276,570 poultry. Reports from crop estimators show that cotton was grown on about 2,600,000 acres of the flooded area in 1926; corn on about 1,100,000 acres; hay on about 360,000 acres, and other crops combined on about 370,000 acres.

No estimates are available to show how much of the flooded area was replanted this year, inasmuch as subsequent crop reports from estimators in the various counties cover both the flooded and non-flooded acreage. An estimate of the flooded area on which crops were grown this year will be made when the harvest is completed.

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THIRTY-NINE COOPERATIVES  
NOW ARE HANDLING NUTS.

Thirty-nine cooperative associations reporting to the Bureau of Agricultural Economics are handling nuts, according to a recent compilation. These associations are accredited with a membership of more than 20,000, their volume of business in 1925 exceeding \$16,000,000. Associations for the marketing of pecans have been formed in Georgia and Texas, and associations handling peanuts in Virginia, Georgia, and Tennessee. The National Pecan Growers' Exchange, at Albany, Ga., serves about 600 members and markets more than 1,000,000 pounds of pecans annually.

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T. G. STITTS JOINS COOPERATIVE  
MARKETING DIVISION STAFF.

T. G. Stitts, half-time specialist in marketing with the Minnesota Extension Division, has accepted an appointment as marketing specialist in dairy products with the Division of Cooperative Marketing, in the Bureau of Agricultural Economics. Mr. Stitts new duties will begin October 15.

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DR. H. G. KNIGHT APPOINTED CHIEF  
OF BUREAU OF CHEMISTRY AND SOILS.

Dr. Henry G. Knight, dean of the college of agriculture and director of the experiment station of the University of West Virginia, has been appointed chief of the new Bureau of Chemistry and Soils of the United States Department of Agriculture by Secretary W. M. Jardine.



DAMAGES BY TRESPASS OF GRAZING CATTLE ASSESSED  
ACCORDING TO RENTAL VALUE OF LAND, NOT  
MARKET VALUE OF PASTURAGE.

Miller & Lux, Inc. vs Pinelli (257 Pac. 573)

The District Court of Appeals, Third District of California, has affirmed the judgment of the superior court in the above case. Pinelli brought suit against Miller & Lux for trespass of stock on his 640 acre tract of land in Merced County, California. This land was surrounded by grazing land belonging to the defendants, who allowed their cattle and horses to go over upon plaintiff's land to graze. An injunction was granted to the plaintiff restraining defendants from permitting stock to trespass upon his land. Damages to the amount of \$1000 for loss of hay and feed also were awarded to the plaintiff.

Appellants contended that these findings were not supported by the evidence; that there was no evidence of the value of the hay or grass which was eaten or destroyed and that the only evidence of pecuniary damage sustained was remote and speculative. At the trial the testimony of witnesses was taken as to the amount of damages and it is this testimony to which appellants object as having no foundation. Some of the questions and answers brought out at the trial related to the market value of the feed destroyed by the trespassing cattle and witnesses also gave their opinion of the value of the land for rental purposes. The two questions presented on appeal were:

1. Is the rental value of the pasture land the proper measure of damages for the destruction of the grass?
2. Is it reversible error to admit testimony of the gross amount of estimated damages where such evidence is supplemented by competent testimony of all necessary facts upon which the court can compute the damages?

In its opinion the court made clear distinction between the value of the use of grazing land for pasturage where the grass roots remain in the soil and from the natural reseeding of which a volunteer perennial crop is reproduced successively, and the measure of damages resulting from the destruction of such crops as vegetables and grain which require planting and marketing annually. Quoting from the opinion:

"One may estimate with reasonable accuracy the number of bushels of corn or grain, or the number of pounds, bushels, or crates of vegetables which may be produced per acre, but it is absurd to talk of measuring the market value of mere pasturage in the same fashion. With relation to such crops of fruit, vegetables, and grains, there is no question as to the reasonableness of the well-settled rule which requires the ascertaining of the measure of damages from the market value of the estimated crop, taking into consideration the condition of maturity of the product at the time of the injury complained of. \* \* \*

"But with respect to the market value of pasturage a different rule prevails. In *Hanson v. Seawell*, 35 Idaho, 92, 204 P. 660, it is said:

'Ordinarily, the rental value of the land would not be proof of the value of the crops. However, where it is shown, as in the present case, that the land was used for pasture and that this was the use to which it would ordinarily and reasonably be put, proof of its rental value as pasture is a proper method of showing the value of the grass. In fact, it seems to be the only method which could be adopted.'

The objections raised against the admission of testimony as to the estimated damage were considered fully in the opinion and it was agreed that such testimony was based upon mere conclusion and as such was not admissible as evidence. Nevertheless, a review was made of the testimony of witnesses as to the value of pasture land and upon their showing the court found that the minimum figures given as fair rental value would greatly exceed the aggregate amount of damages awarded by the trial court. Therefore, that the questions and answers as to the market value of the grass were harmless and had no effect upon the merits of the case; and that the finding of the court that the plaintiff was damaged in the amount of \$1000 was amply supported by the evidence.

H. F. Fitts.

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#### RECENT PUBLICATIONS

The United States Census of Agriculture, 1925, covering the States of Louisiana, Mississippi, and North Carolina, has been issued in three separate pamphlets, one for each State, by the Bureau of the Census, U. S. Department of Commerce, Washington, D. C.

"Bounties on Agricultural Products", a selected bibliography, has been issued by the Bureau of Agricultural Economics, as Agricultural Economics Bibliography No. 20.

"Rural Life Progress in the United States", 1917-27, an address by Dr. C. J. Galpin at the Tenth Annual Conference of the American Country Life Association, August 2, is available in mimeograph form from the Bureau of Agricultural Economics, Washington, D. C.

"Costs of Storing Corn on the Farm," has been issued as Bulletin No. 295 by the University of Illinois Agricultural Experiment Station, Urbana, Ill.

"The Sources of Net Income", a comparison of South Mississippi farms having high and low net cash incomes in 1924, has been issued as Circular No. 73 by the Mississippi Agricultural Experiment Station.



## MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

Sept. 14, 1927

Vol. 7, No. 37

ECONOMICS BUREAU OPENS REGIONAL  
OFFICE AT PORTLAND, OREGON.

A regional office to serve as a contact station between the Bureau of Agricultural Economics and public and private marketing and research agencies in the Pacific Northwest has been opened in the new Post Office Building, Portland, Oregon. William A. Schoenfeld, formerly assistant chief of the bureau has been placed in charge. Mr. Schoenfeld's work, being regional in character, will require that considerable time be spent in Seattle, Washington, where he will use space in the bureau's office at 505 Arctic Building.

The bureau for a number of years has maintained several local offices in the Pacific Northwest serving that important agricultural region with crop and livestock production forecasts, shipment and market price reports, fruit and vegetable inspection, and for the enforcement of the United States Grain Standards Act and the United States Warehouse Act. The new office will give further service to this region, Mr. Schoenfeld devoting his attention particularly to developing and coordinating economic research work of the bureau in the States of Oregon, Washington, Idaho and Montana. He will cooperate with State institutions, research and agricultural extension agencies, farmers' cooperative associations, chambers of commerce, and other commercial associations and civic bodies.

Establishment of the office at Portland follows the establishment of a similar office at San Francisco to serve the Pacific Southwest.

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WISCONSIN SURVEYS ACTIVITIES  
OF TOBACCO CO-OPERATIVES.

A marketing study of tobacco nearly completed by the Wisconsin Department of Markets shows that the tobacco cooperative marketing associations of Wisconsin, Maryland, and the Burley district have accomplished very satisfactory results in maintaining a fair price for tobacco to farmers in their districts, the department has announced.

In all cases where the pools have been successful, they have maintained a price considerably above the pre-war price level, the report says. The obstacle which the pools do not seem to be able to overcome, however, is that of overproduction due to cooperative prices. In the cases of successful co-operation it was found that the production increased to a point at which it was no longer possible for the pools to hold the price at the high level. The drop in price, however, was in no case serious.

ESTABROOK REPORTS PROGRESS  
ON WORLD AGRICULTURAL CENSUS.

Groundwork for taking a world agricultural census in 1930, under the direction of the International Institute of Agriculture at Rome, is making good progress, according to Leon M. Estabrook, director of the project and former chairman of the United States Crop Reporting Board.

Mr. Estabrook has visited every capital in Europe and North Africa to discuss with the proper authorities the idea of the project, its execution and the results expected. Everywhere he found willingness to cooperate in the plan. Similar success has attended visits to Turkey, to North American countries and the West Indies. The Orient is the next region to be covered in the interest of the census.

It is expected that for the first time in history the census will make available comparable data covering the production of the more important agricultural products in practically all of the countries of the world wherein facilities to do the work exist or can be created. In several instances the census will be the first effort at comprehensive crop and livestock estimating those countries ever attempted, and involves the creating of practically new government organizations.

Only 37 countries have taken an agricultural census during the past 25 years, these countries representing less than half the land area and about 30 per cent of the population of the world.

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GOVERNMENT GRADES ISSUED  
FOR VIRGINIA TOBACCO.

Standard grades for Virginia sun-cured and fire-cured tobacco, have been announced by the Bureau of Agricultural Economics under authority of the United States Warehouse Act.

A requirement of the Warehouse Act is that the grade of any product stored in a warehouse operating under this law must be stated on the receipt issued by the warehouseman, except that in the case of identity-preserved products, the grade may be omitted upon the request of the depositor. When the Act was passed in 1916, there were no tobacco grades in common or general use.

Following extensive investigations, the Department of Agriculture worked out a system to be followed in establishing grades for all types of American-grown tobacco. Under this system, grades have been prepared for many of the leading types, these grades, with such changes as seemed necessary from time to time, having been in use for the last five years.

The grades are mandatory for the purpose of the Warehouse Act. Their use is permissive for other purposes, and they are recommended to the trade for use in all commercial transactions.

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NORTH DAKOTA GIVES FREE  
HONEY GRADING SERVICE.

A free honey grading service according to the new Federal standards for honey has been established by the North Dakota Agricultural College. A honey grader has been purchased for this purpose, the adoption of the new grader making possible the taking of a uniform sample of honey from any apiary and having it graded locally.

Beekkeepers who wish to know the grade of their honey are requested to send samples containing at least four ounces to the Department of Entomology at the North Dakota Agricultural College.

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NEW JERSEY FARMERS USING  
BETTER MERCHANDISING METHODS.

Better merchandising of New Jersey farm products through the medium of paid advertising is reported by the New Jersey Bureau of Markets.

Farmers patronizing the Trenton Farmers' Market are reported to be advertising their produce in the local daily papers. Each grower contributes from 25 to 50 cents a week, and an advertisement is run in the Thursday edition of both the morning and evening papers, notifying the public of the commodities that are most plentiful. Paper bags bearing the trademark of the association and the name and address of the farmers are used.

Members of the New Jersey Roadside Market Association display the ear-or-corn sign, which is their symbol, and run advertisements in Newark and Camden papers. Growers around Moorestown are advertising in one of the fruit trade papers.

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WISCONSIN MARKETS DEPARTMENT HOLDS  
CONFERENCE ON CHEESE GRADING.

A committee appointed to perfect plans for a State cheese grading system was the outcome of a conference between representatives of the Wisconsin Department of Markets and the newly organized National Cheese Institute on the subject of improving the quality of Wisconsin cheese.

The conference stated that competition among dealers was responsible for the fact that off-grade cheese commanded the same price as good cheese and that the remedy for this situation is State grading with the industry itself paying the bills. Figures were presented which showed that a levy of 5 cents per 100 pounds of cheese would raise sufficient funds to finance State grading. The conference believed that it will be necessary for Wisconsin producers to take drastic steps for improving quality if their supremacy in the cheese industry is to be maintained.

CANNING INDUSTRY ENTHUSIASTIC  
OVER GOVERNMENT WAREHOUSE ACT.

Unusual interest in being manifested by the trade in storing canned foods under the United States Warehouse Act, declares H. S. Yohe, in charge of administration of the Act in the Bureau of Agricultural Economics, who reports that during the last three weeks the work incident to the licensing of a number of new canned foods warehouses has been particularly heavy.

Canned foods were made storable under the Warehouse Act only a year ago, but already, warehouses have been licensed in Oregon, Utah, Oklahoma, Missouri, Arkansas, Illinois, Iowa, Wisconsin, Indiana, Ohio, Virginia, and Maryland. At the close of business August 31, the aggregate capacities of the 42 warehouses new licensed totaled 3,316,000 dozen cans. Additional applications are pending for licenses from warehousemen in Texas, Utah, Arkansas, Missouri, and Ohio.

Reports to the bureau indicate that loans supported by Federal licensed warehouse receipts are being made on a 5 1/4 to 5 1/2 per cent basis, whereas formerly it cost the same canners from 7 to 10 per cent and sometimes more. With proper financing, fewer "distress" packs are hanging over the market, and market conditions are improving materially.

Increasing interest on the part of the trade is being shown in national standards for canned foods. It is expected that the bureau will be in position shortly to announce tentative U. S. standards for canned tomatoes (without puree) and canned sweet corn (cream style). Work is also being done on canned peas, canned stringless beans, and lima beans.

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GOVERNMENT RICE GRADING LABORATORY  
ESTABLISHED AT SAN FRANCISCO.

A branch rice grades standards laboratory, for collecting information for the Western States upon which to base United States standard grades for brown rice, has been established at San Francisco by the Bureau of Agricultural Economics. Conferences of representatives of the bureau, the California Rice Growers Association, millers, and exporters resulted in working out tentative grades for brown rice. Standards for milled rice and rough rice are already established and in use by the rice trade.

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LIVESTOCK AND MEAT MARKETING TO BE  
STUDIED BY VOCATIONAL TEACHERS.

Requests are being received by the Bureau of Agricultural Economics from State Boards of Vocational Education for lecturers and demonstrators to discuss market classes and grades of livestock, markets, and methods of marketing, and interpretation of market reports and market demands as related to production, at their next annual conference of teachers of vocational agriculture.



AMERICAN WHEAT TO HAVE  
LESS DEMAND IN CHINA.

A probable reduction in the demand for American wheat and wheat flour in North China proper and Manchuria during the coming season is indicated by an analysis of cabled and written reports received by the Bureau of Agricultural Economics from Agricultural Commissioner Nyhus who is making a study of the wheat situation in the Orient.

Factors pointing to this conclusion, according to bureau economists, are: A very good wheat crop in North Manchuria, which promises to take care of a large part of the South Manchurian flour requirements; a good crop of wheat in the region surrounding Shanghai milling industry; low exchange rates in Shanghai; and the probability of low prices for Chinese flour in that market which will limit the ability of Shanghai millers to import foreign wheat.

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NEW JERSEY TO FEATURE HATCHERIES  
WORK AT "AGRICULTURAL WEEK".

New Jersey "Agricultural Week" to be held at Trenton, January 10 to 13, 1928, with feature an exhibit of certified baby chicks, which will replace the usual poultry exhibit. New Jersey last year shipped 4,600,000 chicks known to be from healthy flocks and true to type. Twelve state agricultural organizations and the New Jersey College of Agriculture will cooperate in the exhibit.

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COOPERATIVE MARKETING EXHIBIT TO  
BE SHOWN AT SOUTHERN FAIRS.

At the request of cotton cooperative marketing associations in the Southern States, the U.S. Department of Agriculture is arranging to have an exhibit on the subject of cooperative marketing at the Southeastern Fair at Atlanta, Georgia, October 1 to 8; the Tri-State Fair at Memphis, Tennessee, October 15 to 22; and the State Fair at Dallas, Texas, October 8 to 23.

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COTTONSEED MEAL CONSUMPTION  
SHOWS MARKED INCREASE.

Domestic consumption of cottonseed meal has increased sharply in recent years, over 2,000,000 tons of cake and meal being used for feed and fertilizer during each of the past two seasons compared with about 1,000,000 tons five years ago when the cotton crop was smaller. Exports of cake and meal for the past five years have averaged about 15 per cent of the output compared with about 35 per cent during 1909-13 and approximately 50 per cent for the period 1900-04.

DARE ET AL v. N.Y.C.R.R.CO., (20(2nd) FED. 379)  
CIRCUIT COURT OF APPEALS, SECOND CIRCUIT JUNE 6, 1927.

Payment of freight charges on 28 cars of oats shipped in interstate commerce is the matter in controversy in this action. Judgment of the trial court in favor of plaintiff railroad Company was affirmed, on the theory, which has become authoritatively established, that a consignee who receives goods becomes legally bound to pay the freight charges regardless of any agreements which may have been entered into between consignee and others in connection with the transaction.

The oats were shipped from Illinois and Wisconsin under order bills of lading running to various consignees in New York City. Dare endorsed the bills of lading and delivered them to the railroad company with instructions to deliver "for our account" to certain vessels for export. Instruction to the railroad company also stated: "Freight and all charges collected from Brainard Commission Co." Delivery was made to the vessels as ordered, and upon presentation of bills of lading to the Brainard Company it was found to be insolvent. Railroad company thereupon demanded payment from Dare, which was refused.

As pointed out in the opinion, the railroad company had no knowledge of the relations between Dare and the commission company and for the reason above mentioned the consignee is required to pay. Furthermore, the freight charges must coincide with the rate fixed by law, notwithstanding contractual arrangements between consignee and carrier to the contrary. It is held (citing other decided cases) that even if it be assumed that consignee might substitute the obligation of another for his own, a mere direction in the order of delivery to collect freight from another would not be sufficient; that so far as the railroad company knew, the defendants were owners of the shipments; that under the terms of the Bill of Lading Act (39 Stat. 538; Comp. St. Sect. 8604 and 8604w) the carrier was justified in delivering the goods to the party in possession of an order bill of lading properly endorsed; in fact, is bound under the law to deliver to such holder; that a delivery on defendant's order and "for our account" was a delivery to the defendants; and that under authority of cases cited in the opinion imposed upon them the obligation to pay the freight.

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RECENT PUBLICATIONS

"Feeding Dairy Cattle" issued by the New Jersey Experiment Station as Bulletin 438.

"The Fattening of Steers on Dry-Land Crops" issued by the New Mexico Experiment Station as Bulletin 156.

"A Study of the Cost of Producing Tobacco in Kentucky" issued by the Kentucky Experiment Station as Bulletin 275.

"Poultry Management at the New Jersey Egg Laying Contests," issued by the New Jersey Experiment Station.



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D. C. C. Stine,

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Bureau of Agricultural Economics,

Dept. of Agriculture,

Washington, D. C.

APPLE STANDARDIZATION IN THE 4 K  
BARRELED APPLE REGION.

Use of the United States apple grades have been made compulsory in New York, Virginia, Maryland, North Carolina and South Carolina. In the case of New York and Maryland the use of the old A and B State grades is no longer permissible. Virginia until the present season has never had any official apple grades, although it was a common practice for many of the shippers to pack according to the U. S. standards. All apples in closed packages except those packed in the Northwestern standard apple box must be branded in accordance with the U. S. grades except in Virginia where the use of the "Virginia Early Export" grade is permissible.

In West Virginia, Pennsylvania, Delaware, Illinois, and New Hampshire, the use of the U. S. grades or State grades is optional but one or the other must be used. Changes in the State grading laws in Delaware and New Hampshire were made last winter. The State grades are compulsory by law in Maine and except for the grade designations they are the same as the 1926 U. S. grades.

The following States have promulgated the U. S. grades but their use is not compulsory: Arkansas, New Jersey, Oklahoma, Ohio, and Wisconsin. The following have State grades but have not promulgated the U. S. grades: Connecticut, Massachusetts, Vermont, Rhode Island, Kentucky, and Michigan.

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GOVERNMENT OFFICIALS CONFERENCE  
ON WORLD WOOL REPORTING SERVICE.

A series of conferences between Government officials and members of the wool trade is being held at Boston, Philadelphia and New York this week to determine upon a classification schedule to be used in the collection of international statistics on wool.

The conference was decided upon at a meeting September 15 at Washington of representatives of the Department of Agriculture, Department of Commerce, Treasury Department, and U. S. Tariff Commission. George T. Willingmyre, in charge of wool standardization in the Department of Commerce was appointed chairman and Frank E. Fitzpatrick of the Department of Commerce was appointed secretary of the group to confer with members of the wool industry on a convenient form of wool classification. The proposed classification may include quality, condition, weight, and value of wool passing in international trade.

The move for a classification schedule which may be used uniformly by the leading wool producing and consuming countries of the world is the immediate outcome of action taken at the Imperial Conference at London attended by wool interests to discuss the practicability of collecting world wool statistics.

GOVERNMENT EXPORT STANDARDS ISSUED  
FOR NORTHWEST BOARD APPLES.

Official export standards of the United States for the inspection and certification of condition and pack of apples when packed in the Northwestern standard apple box have been announced by Secretary Jardine of the Department of Agriculture.

Following are the standards:

1. Early keeping varieties such as Jonathan, Stayman Winesap, Rome Beauty and those of like character, shall be not further advanced in maturity than firm ripe. Late keeping varieties such as Arkansas Black, Winesap, Yellow Newtown and those of like character, shall be not further advanced in maturity than firm prior to January 1st and may be firm ripe after that date.
2. Apples shall be free from scald except that 2 per cent or less of slight scald may be present where apples are in oiled wraps or have been specially treated with oil to prevent scald.
3. Not more than 2 per cent of the apples shall be affected by decay.
4. Apples shall show no visible breakdown or apparent freezing injury.
5. The pack shall be either fairly tight or tight.

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MISSISSIPPI ISSUES REPORT  
ON ECONOMICS ACTIVITIES.

A report of the Agricultural Economics Department of the Mississippi Agricultural and Mechanical College, just issued, covering work during the fiscal year ended June 30, 1926, mentions three major projects including cost accounting studies on Mississippi farms, a farm business study of South Mississippi, and the issuance of an agricultural outlook for Mississippi. The first two projects were in cooperation with the Federal Bureau of Agricultural Economics.

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MONTANA LIVE STOCK TRAIN TO  
TEACH EFFECTIVE MANAGEMENT.

The livestock special train operated by the Northern Pacific Railroad in cooperation with the Montana Extension Service, will make 29 stops at important livestock centers in eastern, southern and western Montana, this fall. The special train will carry the message of "Better Livestock Better Fed". The purpose of the train is to demonstrate the most efficient methods of converting Montana's grasses and feeds into cash. The effort is a direct result of recommendations made by livestock committees of the agricultural economic conferences held in the state last winter, at which time it was pointed out that grass and feed are among Montana's most valuable agricultural resources, and that the prosperity of many parts of the state depends to a large extent upon the proper utilization of these resources.



PROGRESS REPORTED IN FEDERAL LIVESTOCK  
MARKETING RESEARCH AND SERVICE.

The fiscal year just ended witnessed the attainment of several of the objectives which the Marketing Livestock, Meats and Wool Division of the Bureau of Agricultural Economics has set as goals to be reached in carrying out its long-time program of research, service, and educational demonstrations, according to a mimeograph report just issued by that division.

Much of the research and experimentation have as their object the establishment of standards for livestock and meats, says the report. Bulletins carrying descriptions of some of the standards were issued during the year and much public interest aroused in the work, as reflected in increased demands for the division's grading service by public and private institutions.

Progress is reported in analyzing and interpreting market statistics. The service work of the division in market news and meat grading has been expanded and made more complete through various refinements in organization and methods. The division reports progress in the field of educational demonstrations in bringing to the attention of livestock producers information regarding consumer demands, market requirements, and the advantages of standardization.

The division's research and investigational work is centered largely on grade standardization, interpretation and analysis of market statistics, and studies of marketing methods and practices. The outstanding feature of the service work of division was the beef stamping project begun May 2. The division reports that the total quantity of all meats and meat food products graded during the year was approximately 20,000,000 pounds.

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NEW JERSEY MARKETING EXHIBIT TO  
BE SHOWN AT TRENTON FAIR.

The Marketing Exhibit Train which was so successful in its South Jersey run over the Reading and Central Railroad lines will again be shown at Trenton Fair September 26 to October 1, announces Secretary of Agriculture William B. Duryce.

The exhibit includes a radio and bulletin board showing how farmers may follow market prices. Exhibits of properly graded and packed potatoes, apples, onions, sweet potatoes and other seasonable crops will show the type of product bringing the best prices on the markets, and specialists will be on hand to tell the visitors exactly how the grading and packing should be done. There will be a comparative exhibit of well graded and poorly graded eggs, while candling machines will show blood spots, shell structure and air spaces. Approximately 7,500 people visited the train in its earlier four-weeks' tour.

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A THREE-MONTHS' COURSE in handling and manufacturing dairy products and in handling market milk will be given free to residents of New York State as a part of the regular winter courses at Cornell University beginning November 9 and ending February 15, 1928.

TRADING IN GRAIN FUTURESSERVES USEFUL PURPOSE, SAYS DUVEL.

Trading in grain futures offers possibilities of service to producers, millers and exporters through the opportunity it affords for speculators to make a liquid market where hedging operations as well as outright purchases or sales can be made promptly, according to Dr. J. W. T. Duvel, chief of the Grain Futures Administration of the U. S. Department of Agriculture.

Dr. Duvel says that the speculative character of trading in grain futures is an essential element in furnishing a liquid market for hedging. Trading in futures, he declares, if confined exclusively to hedging operations or to contracts consummated by the delivery of actual grain, would be so small in volume, as to be of little value to millers, elevator companies and others desiring to protect themselves against speculative hazards. On the Chicago Board of Trade the number of bushels of wheat involved in actual deliveries represents less than 1 per cent of the aggregate volume of trading for the year.

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APPLE MARKETING LAW DESCRIBEDBY CONNECTICUT FRUIT SPECIALIST.

The Connecticut apple marketing law, which is similar to that in the other New England states, declares W. H. Darrow, fruit specialist of the Connecticut Extension Service, requires that all apples grown and marketed in the State must be honestly packed. The law requires that the face or shown surface of the fruit must fairly represent the contents of the package.

It provides for three grades of apples, namely Fancy, A and B grades. For Fancy grade the apples must be above medium color for the variety, at least 2 1/2 inches in diameter and free from defects of any kind. For A grade the apples must have at least average color and be practically free from defects. For B grade there are no color requirements but the apples must be free from serious defects.

Apples which are sold in closed packages in Connecticut must be marked with the following six things in the order named: (1) The State, (2) the grade, (3) the minimum size of the apples in the package, (4) the quantity of the contents, (5) the name of the variety, and (6) the name and address of the person who packed the fruit.

The Commissioner of Agriculture is empowered with the enforcement of the law and there is a provision for a fine of not over \$50 for the first violation and not over \$200 for each subsequent offense.

Connecticut apples are usually sold by the farmer in three different kinds of packages, the 14-quart peach basket, the bushel basket, and the barrel. The tendency seems to be away from the barrel and towards the basket.



NEW JERSEY POULTRYMEN STANDARDIZE  
FIGURES THROUGH OFFICIAL CERTIFICATION.

The New Jersey State Department of Agriculture has announced that birds entered for certification this year at the closing date, September 1, numbered 86,000, compared with only 7,000 birds three years ago. One hundred flock owners are represented this year, whereas last year 79 flock owners entered 79,218 birds. This number, however, later increased to 122,000 birds on account of flocks being larger than was shown at the time of application. Seventeen counties in the State are enrolled, as against 11 last year.

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PENNSYLVANIA DEVELOPS STATE-WIDE  
MARKET NEWS SERVICE.

A State-wide market news service whereby Pennsylvania farmers are able to get definite and accurate information regarding the quantity, quality and price of products received in the markets of the Commonwealth has been developed by the Pennsylvania Department of Agriculture.

Information of this character is being supplied by the Bureau of Markets chiefly from its branch offices at Philadelphia, Pittsburgh, Lancaster, Wilkes-Barre and Scranton. Through the cooperation of the newspaper press associations, brief summaries of this information are distributed twice a day to the newspapers of the State. At present, 50 newspapers are carrying these reports daily.

The broadcasting of market reports over the radio began at Pittsburgh in 1920, and since that time the radio service has developed until now reports are broadcast on a wide variety of subjects covering all the important markets.

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COOPERATIVE STUDY OF LIVESTOCK INDUSTRY  
IN COASTAL PLAIN REGION UNDER WAY.

A cooperative study for the purpose of analyzing the status of the livestock industry, to determine the outlook for its future development and expansion, and to determine the methods of management and organizations under which livestock may be included profitably in the farming systems of the Coastal Plain Region in South Carolina, Georgia, Florida, Alabama, and Mississippi is being made cooperatively by the State Colleges in that territory and the Federal Bureau of Agricultural Economics.

As part of this study, the Bureau of Agricultural Economics, has just issued in mimeograph a statistical and graphic presentation of data relating to livestock production in the Southeastern Coastal Plain, as compiled from the reports of the United States Census Bureau for the years 1870 to 1925.

PEOPLE v. TEUSCHER  
(223 N.Y. Supp. 650)

Milk from Tuberculous Cattle, when pasteurized,  
held wholesome.

Another step in this case was recently taken by the Supreme Court, Oneida County, N. Y. The State had secured an injunction against Teuscher restraining him from removing from his farm near Rome, N.Y. or selling the products of his herd of cattle, against which a quarantine order had been issued by reason of the fact that Teuscher refused to submit his herd to the tuberculin test as required by the Farms and Markets Law of New York (see "Marketing Activities" issue of June 8, 1927). In the opinion, this law was upheld both with respect to State and Federal constitutions.

Pending disposition of appeal entered by defendant, an order was granted suspending operation of the judgment rendered against him. The issuance of the order appears to have been based upon the testimony of witnesses to the effect that milk from tuberculous cattle is wholesome for human consumption if properly pasteurized and, that being so, the probable losses sustained by defendant in being restrained from marketing his milk pending final disposition of the case by the Appellate Court.

It is stated in the opinion that even though the defendant has stubbornly resisted the law, he is within his rights in defending himself against the enforcement of a law which he believes to be unconstitutional, and that suspension of the operation of the judgment does not change any of its provisions but merely withholds its operation for a time. The State contended that to permit defendant to sell his milk pending this appeal would work a possible injury to the health of the people consuming it. On this point the Court said: "I think a proper pasteurization of the milk will render it entirely safe for consumption; at least, experts on the subject so contend." The order was granted suspending operation of the judgment pending disposition of the appeal on the following conditions:

1. The milk produced by said cattle shall be transported in closed metal 40-quart cans and delivered only to stations where it shall be properly pasteurized before being offered for sale for human consumption.

2. No butter or cheese shall be manufactured on defendant's premises from the milk of said herd except for his own and his family's personal use.

- H.F. Fitts.

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RECENT PUBLICATIONS.

"Potato Situation in 1927," a mimeograph report issued by the Federal Bureau of Agricultural Economics.

"Foreign Trade of the United States in Agricultural Products," 1926 Yearbook Separate No. 936, issued by the U.S. Department of Agriculture.

"Statistics of Farm Animals and Animal Products," 1926 Yearbook Separate No. 935, issued by the U.S. Department of Agriculture.



STATE AND FEDERAL

# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

Sept. 28, 1927

Vol. 7, No. 39

### TWENTY STATES COOPERATE IN FEDERAL MARKET NEWS SERVICE.

Twenty States now are cooperating with the Federal Bureau of Agricultural Economics in a nation-wide market news service on fruits and vegetables. In six of these States, the fruit and vegetable work has been incidental to a general market news program, but in the other 14 States specific fruit and vegetable work has been provided. In many sections, State representatives aid in obtaining information relative to prices and conditions in producing districts, and this assistance has resulted in a wider distribution of market information.

The former Federal Bureau of Markets which is now incorporated in the Bureau of Agricultural Economics began an experimental news service on fruits and vegetables in 1915. The service originally covered only four products and was conducted during but seven months the first year. Now the service covers 34 products over 12 months of the year. The market news is gathered from 36 temporary field stations, and 17 city market stations. Nearly 14,000,000 daily market news bulletins were issued last year, there being 72,435 persons on the mailing lists.

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### WOOL ASSOCIATIONS ENDORSE PLAN FOR WORLD WOOL FIGURES.

Plans for the collection of international wool statistics were unanimously endorsed and promised the active support of the United States wool trade at conferences at Boston, Philadelphia and New York last week between members of the trade and representatives of the Department of Agriculture, Department of Commerce, and the U. S. Tariff Commission. Similar endorsement has been received by mail for the Arizona Wool Growers Association, California Wool Growers Association, National Wool Growers Association, and Pacific Cooperative Wool Growers Association.

The conferees agreed upon a classification schedule which provides for the gathering of international figures on quality, condition, weight, and value of wool passing in international trade. The schedule calls for the collection of information on the volume of world wool stocks semi-annually as of April 1 and October 1; monthly reports on imports, exports, and re-exports of wool, and a monthly survey of wool consumption by mills.

A final report of the recommendations of the wool trade, producers, and the Government departments will be submitted to the British wool trade, following which it is hoped that steps will be taken to set up the machinery for collecting the world wool figures.

### HARVEST TIME - SMALLER CROPS - HIGHER PRICES.

The harvest is on and the coming month will tell the crop story definitely. Among the four chief money crops, cotton and fruit are apparently in more moderate supply than last year and returns from them are correspondingly better, according to the October 1 "Agricultural Situation" issued by the Bureau of Agricultural Economics. Wheat and potatoes are somewhat larger crops than last year but their prices are still favorable.

The cotton crop, ravaged by the boll weevil, is forecast at nearly one-third less than last season's record output. Winter wheat turned out some 75,000,000 bushels less than last year though it was about an average crop, but spring wheat is more than making up with 100,000,000 bushels in excess of last year. Movement of both wheat and cotton to market is more rapid than last year. Potatoes appear likely to turn out about an average crop, something under 400,000,000 bushels, blight and rot tending to reduce the yield below earlier forecasts. Late fruit is a substantially smaller crop than last year, especially in the East. Apple prices are correspondingly higher and western apple districts are faring better than they did.

Hay was a bumper crop. Oats were a rather light crop. Corn is a still lighter crop, relatively. Warm September weather did a lot to mature corn but light frosts have left their mark lately in northern valleys while the big, general freeze is presumably not far ahead. Even if frost holds off two weeks yet a substantial portion of the corn will be small ears, soft, wormy, or otherwise low in quality. In general, the corn territory west of the Mississippi has a much better crop than that east of the river.

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### IDAHO STUDYING HORSES VERSUS TRACTORS IN COMBINE HARVESTING.

An economic study of the relative value of tractors and horses as motive power in combine harvesting is being made by the University of Idaho. Preliminary results have been assembled and will be announced at an early date.

Engineers of the university believe that some combination of horse and tractor power may be worked out which will effect greater year-round economy than either one by itself. The experiment will be continued next year.

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### EIGHTY-THREE RADIO STATIONS TO BROADCAST FARM PROGRAMS.

Eighty-three selected radio stations in 34 States will broadcast one or more of the 11 regular farm and household radio services prepared and released by the United States Department of Agriculture, beginning Monday, October 3. The 1927-28 program will continue until April 30, 1928.



DAIRYMEN MUST ORGANIZE  
TO SUSTAIN INDUSTRY.

Effective organization in the production and distribution of dairy products, and the development of new markets, are necessary if the American dairy industry is to maintain a satisfactory economic position, Lloyd S. Tenny, chief of the Bureau of Agricultural Economics, told members of the Cooperative Pure Milk Association at Cincinnati, O., September 24.

Mr. Tenny outlined the marked expansion in dairy production and marketing in leading foreign dairy countries in recent years. There is a tendency, he said, for foreign production to increase more rapidly than demand, as a result of which producers in the United States are facing increased foreign competition and importation of greater quantities of dairy products. On the other hand, with the exception of concentrated milk, the United States is not producing dairy products sufficient for domestic needs, and present tendencies in this country are for demand to increase as rapidly, if not more rapidly, than production.

Reviewing the world dairy situation, Mr. Tenny declared "the most important of the war developments has been the great expansion of production in new countries of the Southern Hemisphere. This expansion has continued since the war, and is being maintained in the face of falling prices. Since the seasonal production of these countries places the largest volume of their annual output on the winter markets of the Northern Hemisphere, this development in the Southern Hemisphere is equivalent to a great shift to winter dairying by producers of the Northern Hemisphere. This tends to take the peak from out winter market prices, thus reducing the profits of winter dairying. A second outstanding development in production is the rapid recovery and continued expansion in old country production, including the Netherlands, Denmark and other Baltic States."

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AGRICULTURAL EXPORTS ARE  
LARGEST IN FIVE YEARS.

Agricultural exports from the United States during the past year bulked the largest in five years, reaching 136 as an index number, compared with 106 the preceding year, and the nearest former high of 137 in 1922, the Bureau of Agricultural Economics has announced. The 1910-14 five-year period is used as a base of 100

The bureau's index is based on the gross exports of 44 of the more important farm products. Large exports of cotton fiber the past year were the most important single factor contributing to the increased volume of trade, the index for which is placed at 131 compared with 93 the preceding year.

Exports of grains, principally wheat and flour, were also much higher than a year ago. Heavy exports of fresh and dried apples, prunes and raisins, brought the fruit and vegetable index to the record figure of 285. The index numbers for dairy products, cattle and meat products touched the lowest point since 1914, reflecting the sharp recession in exports of bacon, hams, lard and canned milk.

NEW YORK DAIRYMEN URGED  
TO INCREASE MILK PRODUCTION.

New York dairymen are being urged by the New York State College of Agriculture to make a concerted effort to increase milk production to satisfy the New York City demand during the coming few weeks, the usual shortage period. Present indications are that the supply of milk for the city may soon be so far below the demand that new producing territory may have to be sought.

During November and December of 1926, the supply of milk approved by the New York Board of Health barely met the city's demand. The supply has gradually been getting relatively smaller, and in recent years the situation has become serious because the rapid growth of population in New York and the increase in amount of milk the average person uses has made the demand overtake the supply.

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MARYLAND AND D. C. FACE QUARANTINE  
ON ACCOUNT OF JAPANESE BEETLE.

A public hearing to consider the advisability of including the State of Maryland and the District of Columbia in the area quarantined on account of the Japanese beetle will be held October 6 at the United States Department of Agriculture. Extension of the quarantined area to include Maryland and the District of Columbia would restrict the interstate movement from the infested areas of farm, garden, and orchard products of all kinds; grain and forage crops; nursery, ornamental, and greenhouse stock, and all other plants, and sand, soil, earth, peat, compost and manure.

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NEW JERSEY POTATO GROWERS MEET  
TO CONSIDER SEED SOURCES.

The New Jersey Potato Improvement Committee met in the office of the New Jersey Secretary of Agriculture September 23 to discuss sources of high quality seed that will be available to New Jersey growers for next season's crop, and to make plans for securing this information and furnishing it to growers. In this connection, Dr. William H. Martin, Plant Pathologist of the Department, reported that New Jersey seed growers had entered 1,106 acres for certification this year, or nearly double last year's acreage of 637 acres.

Ways and means of continuing the headway made this year in improving the reputation of New Jersey potatoes through grading, occupied the attention of the Committee, and it was brought out that there was an 80 per cent increase in the number of cars of potatoes inspected this year by the Bureau of Markets. It was agreed to continue the Committee's campaign to secure the production of only a high quality product, and the use of such grades and packs as will command the respect of the buyer.



ILLINOIS REPORTS PROGRESS ON  
FARM ACCOUNT PROJECT.

The Illinois farm bureau-farm management service, which is a cooperative organization of over 200 central Illinois farmers who, through their local farm bureaus, are cooperating with the Department of Farm Organization and Management of the University of Illinois in keeping accounts and records of their farming operations, is now completing the third year of work, according to a report from H.C.M. Case, in charge of the department.

The cooperating farmers are annually paying an average of \$12.50 for the three-year period for this service, while the local farm bureaus and the University of Illinois contribute a like amount. The records include a complete financial record of the entire farm business, and a farm practice and production record on each farm enterprise. Each cooperator in this work is visited three or four times on his own farm aside from meeting the man in charge of the field work at some local point once or twice during the year. The entire time of one man is devoted to this work aside from assistance given in the analysis and preparation of the reports. This project stands out as the first large cooperative farm management service organization in the United States, having been organized in the winter of 1924-25.

The organization is the outgrowth of the extension work in farm management which has been carried on in the area since 1916.

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ECONOMICS BUREAU EXHIBITING  
WORK AT FOUR EXPOSITIONS THIS FALL.

The Bureau of Agricultural Economics has four exhibits for expositions to be held this Fall: Chemical Industries Exposition, New York City, September 26-October 1; National Dairy Exposition, Memphis, October 15-22; Dairy Industries Exposition, Cleveland, October 24-27; and International Livestock Exposition, Chicago, November 26-December 3.

At the first of these expositions a booth is displayed which relates to the utilization of cottonseed and cotton linters as a part of the department exhibit. At the second exposition the bureau will have four distinct units relating to market information, dairy farm organization, the dairyman's dollar, and the butter price curve. A unit will be displayed on the use of alfalfa hay. At the third exposition the bureau will emphasize those phases of its work which are of greatest interest to dealers and manufacturers. Units are being prepared on standardization, cooperation, the butter price curve, foreign competition, and the production and utilization of dairy products.

Every year rather elaborate preparations are made for the exhibit at the International Livestock Exposition, for which the bureau is preparing four units: Carrying grades to the consumer, the livestock outlook, current market news, and a movie film entitled "Cooperative Marketing of Livestock."

RECENT PUBLICATIONS .

"Apple Situation in 1927," mimeograph report issued by the Bureau of Agricultural Economics, Washington, D. C.

"Marketing Arizona Lettuce - Summary of 1927 Season", mimeograph report issued by the Bureau of Agricultural Economics, Washington, D. C.

"United States Standards for Brown Rice," mimeograph report issued by the Bureau of Agricultural Economics, Washington, D. C.

"Family Living in 25 Farm Homes of Askov, Pine County, Minnesota," mimeograph report issued by the Bureau of Agricultural Economics, Washington, D. C.

"The Farming Business in Idaho - Par I of a Tentative Report of the Agricultural Situation, Based on an Economic Survey of the Production and Marketing of Idaho Farm Products", issued by the Idaho Experiment Station as Bulletin 151.

"The Potato Situation in Idaho", issued by the Idaho Experiment Station as Bulletin 153.

"Cleaning Grain on Farms and in Country Elevators," U. S. Department of Agriculture, Farmers' Bulletin No. 1542.

"Spray Irrigation in the Eastern States," U. S. Department of Agriculture, Farmers' Bulletin No. 1529.

"Varieties of Cotton in Northwest Texas," Bulletin 364 issued by the Texas Experiment Station.

"Soil Survey of Douglas County, South Dakota," issued by the U. S. Department of Agriculture.

"Dietary Scales and Standards for Measuring a Family's Nutritive Needs," Technical Bulletin No. 8, issued by the U. S. Department of Agriculture.

"Sorgo Silage, Sorgo Todder and Cottonseed Hulls as Roughages in Rations for Fattening Calves," Bulletin 363 issued by the Texas Experiment Station.

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CORN BORER CAMPAIGN REPORTED  
TO HAVE CHECKED PEST.

. Backed by field surveys of 743 townships in the heavily infested States, the United States Department of Agriculture reports that the ten million dollar spring campaign against the European corn borer has retarded the insect's rate of increase. The report was made to members of the International Corn Borer Committee at Toledo.

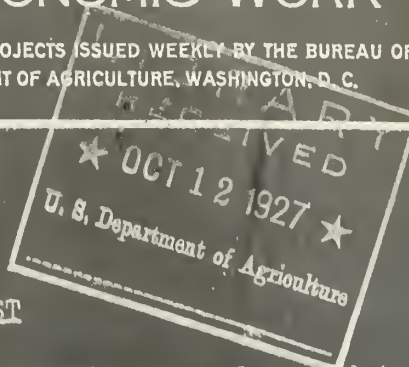


## MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

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Vol. 7, No. 40

ECONOMICS BUREAU STUDYING WHEAT  
SMUT PROBLEM IN EAST AND WEST

A series of investigations designed to yield information to combat the wheat smut problem in Eastern and Western producing areas is being made by the Bureau of Agricultural Economics in cooperation with local agencies.

Eastern elevators now are being equipped with washers to eliminate smut, and Bureau representatives are endeavoring to determine the number of smut spores of wheat both before and after washing at these elevators. A count reveals that there are 3,750,000 spores in an average sized smut ball.

Stinking smut has been growing steadily worse in Maryland the past two years, and has become a sufficiently serious factor in the marketing of the crop this season to arouse farmers to the importance of intensive efforts to control it, declared Dr. Thomas B. Symons, director of the University of Maryland Extension Service.

Farm Bureaus, he says, have taken an active part in the campaign against smut in many counties, and millers have also cooperated in bringing the importance of control measures to the attention of farmers. About two months ago the Maryland Extension Service made a survey of wheat fields which brought to light the fact that smut was not only more prevalent than during the previous season, but that the degree of infection was heavier.

The Federal Bureau is concerned over the situation in its bearing on the application of the wheat standards. Studies similar to those in Maryland are being made on the West Coast, the results of which are to be published soon in Government bulletins.

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PHOENIX, ARIZONA, TO HAVE  
COOPERATIVE CITY MARKET.

A campaign has been started throughout the Salt River Valley to promote a centralized, cooperative market in Phoenix for produce grown on Valley farms. The market would be known as the United Farmers City Market, a \$150,000 project to be ready for operation early in 1928. Numerous stalls for retailing farm produce and other groceries will be provided, and large grading, packing, icing and storage houses constructed. The building is to be arranged so that farmers may bring their produce into the court, sell it direct to local produce wholesalers or dealers, or may grade it and ship it out with that raised by other farmers in the Valley.





INDIANA STUDYING LOSSES  
OF HOGS IN TRANSIT TO MARKETS

From 85,000 to 105,000 hogs die annually in transit from local loading points to terminal, in shipping the country's annual hog crop, the Purdue Experiment Station has found in a study of the situation. The number of cripple hogs approximates 140,00 to 175,000 heads a year.

Records of more than 6,000 carloads of livestock, as determined by the Station representatives, indicate that death and cripple losses can be reduced if shipping practices are adjusted properly to weather conditions. Feeding hogs in cars was found to increase the death losses decidedly during hot weather, or when the maximum temperature during shipment reached 80 degrees or more.

Cleaning cars reduced the death losses during warm and hot weather, but made relatively little difference in losses during cool and cold weather. Cars with good footing had one-half as heavy death and cripple losses as did those with poor footing, during all kinds of weather. Sand and cinders were found to provide the best footing throughout the year.

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OKLAHOMA PLANNING TO EXTEND  
FARM ACCOUNTING NEXT YEAR.

Plans are being made by the Oklahoma Extension Service for extending farm accounting work to 34 counties in 1928. Seventeen counties are carrying on the work this year, and a schedule is being arranged for summer schools at which the 1927 records will be summarized and new demonstrators enrolled for next year.

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FLORIDA MARKETS COMMISSIONER  
DESCRIBES STATE GRADING LAW.

Commissioner L. M. Rhodes, of the Florida State Marketing Bureau, has announced the publication of grades in booklet form under the Florida Grading Act of 1927. The Act also provides for a shipping point inspection service, which service will be continued this season as in past seasons under the auspices of the Florida State Marketing Bureau and the Federal Bureau of Agricultural Economics.

Announcing the grading and inspection service, Commissioner Rhodes emphasizes grading and standardization as fundamental to orderly marketing.

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OHIO EXTENDS HONEY GRADING  
SERVICE TO BEEKEEPERS

Ohio Extension Service has bought one of the new United States honey graders and is offering free grading service to the State's beekeepers.





WISCONSIN ANNOUNCES APPOINTMENT  
OF NEW MARKETS COMMISSIONER.

The appointment of J. H. Vint as Commissioner of Markets in Wisconsin to succeed Edward Nordman, whose term expired September 6, has been announced by Governor Fred R. Zimmerman.

Mr. Vint is manager of the Farmers' Cooperative Elevator Company at Union Grove in Racine County, and is now living on and operating 80 acres near that place. He was a member of the State Legislature in 1911, 1913, and 1915.

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OFFERS SUGGESTIONS FOR IMPROVED  
TRANSPORTATION OF LIVE POULTRY.

Although live poultry are now handled and transported under fairly favorable conditions, some improvements are possible which would insure more efficient marketing, said Rob. R. Slocum, marketing specialist of the Bureau of Agricultural Economics addressing the American Humane Association at Indianapolis, October 4.

Greater care is needed, he said, to prevent over-crowding in coops, especially in warm weather. Protection of poultry from drafts in transit during cold weather should be provided. Instruction should be issued to all employes of shippers and transportation agencies to handle coops of poultry less roughly and with greater care to see that heads are not caught when one coop is moved over another.

Empty coops, he said, should be placed in the bottom of a truck load in hot weather for better ventilation. Care should be exercised in piling or stacking coops of poultry to insure adequate ventilation. The use of unnatural feeds for poultry in transit or in the markets should be prohibited. An inspection service on live poultry should be inaugurated at other markets similar to that in effect at New York City.

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IDAHO ATTACKS PROBLEMS  
IN MARKETING OF PRUNES.

Information which it is hoped will reduce the hazards faced by Idaho prune growers and put the industry on a more stable basis is being sought by the Idaho Experiment Station in cooperation with southern Idaho producers.

Last year, from 350 to 400 cars of prunes were left on trees in Idaho orchards to prevent glutting the markets and to avoid actual money losses to growers in picking and shipping. To correct this situation a two-years program has been initiated to determine the effect of time of picking on keeping qualities, sugar and acid content, and size and flavor of prunes. This will yield information which will enable shipments to be spread over a longer period, thereby reducing the dangers of market congestion, and at the same time to dispose of the entire crop.





COLLEGE DAIRY PROFESSORS SHOW  
INTEREST IN ECONOMIC RESEARCH.

Forty members of the American Dairy Science Association have petitioned the executive committee of the association for the organization of an economics section for the study of economic problems of the dairy industry. Petitions have been received from agricultural college professors in Oregon, Tennessee, New York, Vermont, Nebraska, South Dakota, Minnesota, Washington, Idaho, Indiana, South Carolina, Massachusetts, New Hampshire, Arkansas, Pennsylvania, and New Jersey.

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OKLAHOMA MARKETS COMMISSION  
CREATED TO SERVE FARMERS.

The Oklahoma State Market Commission was created to give farmers assistance in learning to grade farm products and to protect farmers in shipping those products to central markets, declares D. P. Trent, Director of Extension, A. and M. College.

"It is the business of this department," he says, "to issue certificates that the products are up to grade standards." No other department of the state government has an opportunity for greater service to the farmers."

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TRADERS PROTEST YARDAGE CHARGES  
AT CHICAGO STOCKYARDS.

Representatives of livestock traders at the Chicago stockyards and the Union Stock Yard and Transit Co., appeared before Secretary Jardine September 28 to argue the justification of the yardage charge which the stockyards impose on animals held in the yards by the traders.

By an order issued in June, 1923, the Secretary of Agriculture declared the charge to be discriminatory. The traders contend that no charge should be made, or if any, that the present rates are too high.

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FARM PRICES SHOW ADVANCE  
DURING PAST MONTH.

The general level of farm prices advanced during the past month from 132 per cent of the pre-war level on August 15 to 140 per cent on September 15, an advance of 8 points. This is the largest gain in a single month since May, 1919. At 140 the index is 6 points above September a year ago and is at the highest point since April, 1926. The rise was due to the advance in cotton and cottonseed, barley, rye, hay, hogs, beef cattle, veal calves, eggs and butter, the biggest factors influencing the rise being cotton and cottonseed, dairy products and poultry products.





ANNOUNCES SCHEDULE FOR COTTON  
GRADE AND STAPLE REPORTS.

The following reports on cotton grade and staple are to be issued this year by the Bureau of Agricultural Economics at Washington, D. C.,:

October 4, 1927, 1 p.m., for cotton ginned in Georgia prior to September 1, 1927.

October 27, 1927, 1 p.m., for cotton ginned in Georgia and in 27 counties in Northwest Texas and Southwest Oklahoma prior to October 1, 1927.

November 28, 1927, 1 p.m., for cotton ginned in Georgia and in 27 counties in Northwest Texas and Southwest Oklahoma prior to November 1, 1927.

December 29, 1927, 1 p.m., for cotton ginned in Georgia and in 27 counties in Northwest Texas and Southwest Oklahoma prior to December 1, 1927.

February 14, 1928, 1 p.m., for cotton ginned in Georgia and in 27 counties in Northwest Texas and Southwest Oklahoma prior to January 15, 1928.

April 18, 1928, 1 p.m., for cotton ginned in Georgia and in 27 counties in Northwest Texas and Southwest Oklahoma prior to March 20, 1928, the final report.

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NEW JERSEY TO GIVE COURSE  
IN HANDLING AND MANUFACTURING DAIRY PRODUCTS.

A twelve-weeks course in handling and manufacturing dairy products and in handling market milk will be given free to residents of New Jersey as part of the regular winter courses beginning November 14 at the College of Agriculture, Rutgers University, New Brunswick.

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CALIFORNIA PRUNE INDUSTRY TO  
BE STUDIED IN NEW SURVEY.

Representatives of the Bureau of Agricultural Economics and of the University of California met at Berkley, Calif, recently to outline a study to be made on the economics of the California prune industry.

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"COTTON CULTURE AND MARKETING IN THE UNITED STATES," has been issued as a nine-page mimeograph by the Federal Bureau of Agricultural Economics.



Inspection of Hay Sold on Contract.

Kerchoff v. North & Co.  
297 S. S. 161

This case recently decided by the St. Louis Court of Appeals, (Missouri) upon appeal from the Circuit Court, St. Louis County, was based upon a breach of warranty in a contract for the purchase of a carload of alfalfa hay, and involved the question of inspection.

North & Co. sold to Kerchoff a carload of alfalfa hay under special warranty that the hay was to be good feeding alfalfa, brown soft, sweet and free from mold. The shipment was received by the railroad company at destination (Crescent, Missouri) and plaintiff was notified of arrival. The Bill of Lading on its face bore the words "Inspection allowed". Plaintiff paid draft and in addition the freight charges, for which amounts he brought the action against defendant.

Upon the evidence presented it appears that the hay could not be inspected from the car door, but that the only way to inspect it was to unload a part of the hay. This the plaintiff did, and upon unloading a considerable portion of it discovered that the hay was not as specially represented by the warranty, but was of an inferior quality, moldy and damaged. He thereupon notified defendant, and upon reinspection at request of defendant, the plaintiff advised defendant that the hay was not acceptable except at a price greatly reduced from that specified in the contract. Upon refusal of defendant to accede to these terms, the plaintiff returned all hay to the car, and notified defendant that it was rejected on account of breach of warranty.

The principal question on appeal was whether plaintiff was entitled to recover, in view of the fact that he unloaded about one-half the car of hay, after paying the draft drawn upon him for it, and also paying the freight charges. The contention of the defendant was that plaintiff treated the goods as his own, accepting them and paying for them, and surrendered the Bill of Lading to the railroad company; therefore, that he is not entitled to recover. The plaintiff on the other hand, relied upon the warranty as to quality of the hay, contending that he inspected the car of hay in the only manner possible, and that he did not accept the hay prior to discovering its real condition; which could only be ascertained by removal of a considerable portion of the hay from the car.

The trial court found that plaintiff inspected the hay within a reasonable time and in a reasonable manner, and that he did not accept possession of the hay as owner under the contract and warranty of sale. In this the appellate court concurred, and judgment for plaintiff was affirmed.

H. F. FITTS





STATE AND FEDERAL

# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL  
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

Oct. 12, 1927

Vol. 7, No. 41

NEW YORK MARKETS DIRECTOR  
DESCRIBES EGG-GRADING LAW.

New York State retail grades and standards for eggs went into effect September 12 under a law passed by the State Legislature. This law, according to H. Deane Phillips, Director of the Bureau of Markets, makes it a misdemeanor, punishable by a heavy fine, to sell or offer for sale any egg unfit for human consumption; places certain restrictions on the use of the word "fresh" or words of similar import, such as "new laid," "day old", etc., when applied to eggs, and exempts eggs from the provisions of the cold storage law, substituting a plan for the sale of all eggs on the basis of specific grades without reference to their history.

As now in effect, the grades are based on the United States standard of quality for individual eggs. They differ from the U. S. grades both in name and in actual grade specifications. They are five in number, as follows: Nearby Fancy, Grade A, Grade B, Grade C, and Unclassified Grade. Except for slight differences in the number of eggs below the standard, Nearby Fancy, Grade A, and Grade B, correspond respectively to U. S. Special #1, U. S. Extra #1, and U. S. Standard #1 of the Federal retail grades. Grade C would be practically the same as U. S. Trade #1, except that it may include eggs with dirty shells, which under the Federal plan would be classed as U. S. Standard Dirties and U. S. Trade Dirties. It also includes all eggs that would be classed as U. S. Checks.

The Unclassified Grade had no counterpart in the Federal grades. It is intended to include eggs of variable size and quality not below the standard for U. S. Trades. Shells may be clean, soiled, dirty, checked or cracked. Actually, this grade is intended mainly as an aid during the transition period from the old plan to the new. It has the merit of adding flexibility but will probably pass out of use in due time.

Perhaps the most important point in the new regulations, Mr. Phillips says, is the restriction on the use of the word fresh or terms of similar import. Only eggs free from objectionable odor and flavor, which meet the requirements for Nearby Fancy Grade, or Grade A, may be offered for sale or sold as fresh. Formerly, in New York State, for all practical purposes, any edible egg could be sold as fresh provided it had not been held in cold storage. This, of course, allowed the sale of many deteriorated eggs without any legal hindrance. The test of freshness is now the interior quality as determined by candling, which will rule out many eggs heretofore sold commonly as fresh, and which is certain to effect some decided changes in the egg trade.

All eggs offered or sold to retailers or to consumers, except eggs of the vendor's own production, must be offered and sold on the basis of the grades. Although farmers selling their own eggs are exempt from the use of grades, they are not exempt from the provisions regarding the sale of unedible eggs, or the provisions in regard to the use of the terms, "fresh," "strictly fresh," "day old", "new laid", etc.

### COMPLETE POULTRY STATISTICS.

Need for more complete poultry statistics with which to enable producers and the trade more efficiently to meet consumption demand was emphasized by Rob F. Slocum, poultry marketing specialist of the U. S. Bureau of Agricultural Economics, addressing the National Poultry, Butter and Egg Association at Louisville, Ky., October 11.

A Department of Agriculture committee has been giving careful consideration to the problem of developing more adequate basic statistics, a tentative program formulated by this committee including the collection of statistics on producing stocks on hand, new stocks being reared, movement of poultry and eggs into market channels, and consumptive demand.

"To undertake the collection of these basic statistics," Mr. Slocum said, "it would be necessary for the department to expand considerably the reports which it now receives, probably to reclassify its list of voluntary reporters, and to extend their number considerably. The wholehearted support and cooperation of the trade would be required."

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### ANNUAL LOSS OF MILLIONS FROM FAILURE TO CLEAN SPRING WHEAT.

The spring wheat growers of Minnesota, North Dakota, South Dakota and Montana have paid the railroads about \$2,500,000 in freight charges for transporting weed seeds with the wheat during the last four years, according to Farmers' Bulletin 1512-T, "Cleaning Grain on Farms and in Country Elevators", just issued by the U. S. Department of Agriculture.

Because of the presence of the weed seeds, says the department, the sale price per bushel of wheat was about 1.8 cents lower than it would have been had the wheat entered the market free from weed seeds. The department estimates that a loss of approximately \$12,000,000 would have been avoided if all the wheat had been cleaned.

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### CAMPAIGN LAUNCHED TO INCREASE NATION'S LAMB CONSUMPTION.

A lamb campaign was launched Sept. 19 in Springfield, Ill., as the first of a series of campaigns to be conducted in an effort to stimulate lamb consumption in this country.

The campaigns are being conducted by the National Lamb Raisers' Association, with the cooperation of the National Live Stock and Meat Board, the Institute of American Meat Packers, and the National Association of Retail Meat Dealers.

Lamb cutting demonstrations, the distribution of recipe booklets, the display of window streamers, and a series of newspaper advertisements are features of the campaign.



COLORADO ORGANIZING STATE-WIDE  
MARKETING POOL ON WHEAT.

The Colorado Director of Markets' office, in conjunction with the State Agricultural College, is sponsoring the formation of a new state-wide marketing pool for the cooperative handling of at least 60 per cent of the hard winter wheat crop.

Organization work was begun July 9 under the direction of Ben H. King, assistant director of markets, and the plan has since been adopted for Nebraska and other states in the hard winter wheat belt. The old Colorado Wheat Growers' Association suspended pooling operations for the year, pending the conclusion of the new campaign for volume control.

Preliminary to the actual sign-up of pool members, all efforts are being concentrated on securing the active support of business men and bankers, according to Dr. E. O. Ayresworth, Director. Previous pooling efforts in wheat were seriously handicapped by lack of understanding and consequent unsympathetic attitude of non-growers. Several meetings have been held with civic and commercial organizations, and resolutions of approval have been given the new pool movement.

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NEW YORK TO HOLD CONFERENCE  
ON APPLE GROWING AND MARKETING.

A conference on the production, grading, packing, transportation and distribution of apples is to be held under the auspices of the New York Food Marketing Research Council, October 26, at New York City. The results of three research projects conducted by Cornell University, Columbia University in cooperation with the New York Food Marketing Research Council, and United States Department of Agriculture will be discussed.

The first of these three projects deals with costs, selection of varieties, competition between sections, returns to growers, and other production problems; the second deals with quantitative factors such variety and size, price differentials in the New York market, effect of storage on price, types of pack; and the third, the value of past brand advertising, habits of consumers, varieties preferred, size of purchase, trade mediums, and other data as revealed in a survey of 3,000 housewives' buying methods in the New York market.

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PROTEIN TESTS PROVE VALUABLE  
IN MARKETING WHEAT.

Protein tests have enabled local shippers and wheat growers to estimate more closely the price wheat should bring at terminal markets, according to Bulletin 208, "Protein Survey of the North Dakota Wheat Crops of 1925 and 1926", just issued by the North Dakota Agricultural College. Use of the protein test, says the bulletin, has placed the wheat seller in a position to bargain more intelligently with the wheat buyer, and it has called attention to the fact that the spring wheat belt, particularly North Dakota, produces a superior type of bread wheat.

### NEW ENGLAND MILK INDUSTRY NEEDS COOPERATIVE ORGANIZATION.

Coordination in the New England milk industry in production, assembling, converting, shipping, and city distribution, is emphasized as an immediate need in stabilizing the industry as shown in a section-wide survey by William A. Schoenfeld, in a bulletin just published by the United States Department of Agriculture.

Effective cooperative organization of producers built upon a firm foundation of ably-managed country plants is recommended as a means of bringing about such coordination. Such an organization of producers, Mr. Schoenfeld says, would facilitate the consolidation of many up-country plants and would aid producer-consignee cooperation at terminal markets.

This cooperation, according to Mr. Schoenfeld, would make possible substantial savings in transportation and plant handling costs. The organization would be in a position to adjust output to meet market requirements for milk and milk products more accurately than is now done, and the best prices afforded by a given market could then be obtained. Recognition and application of price-making forces by such an organization would be a dynamic instrument for stabilizing the entire dairy industry in New England.

Detailed results of the study have been published in Circular No. 16-C, entitled "Some Economic Aspects of the Marketing of Milk and Cream in New England," copies of which may be obtained from the Department of Agriculture, Washington, D. C.

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### OUTLINES NATIONAL POULTRY AND EGG STANDARDIZATION PROGRAM.

A national poultry and egg standardization program involving the use of national grades in the purchase of eggs and poultry, the marketing of these products on the basis of such grades, and the ultimate sale of the products by retailers on the basis of established retail grades, was outlined by Roy C. Potts, chief marketing specialist, Bureau of Agricultural Economics, addressing the National Poultry, Butter and Egg Association at Louisville, Ky., October 11.

"The practical question for the poultry industry to consider," Mr. Potts declared, "is how can the various branches of the industry help in shaping the program and in making it of greatest benefit to the industry. For a number of years this Association has from one angle or another been considering the question. The mercantile and produce exchanges have been considering it. It seems that the time is ripe for some definite concerted action by the industry."

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"SWEET POTATOES IN 1927" is the title of a mimeograph by the U. S. Bureau of Agricultural Economics, in which are discussed the current crop prospects, sources of carlot supply, and current market conditions.

PREMIUM PAID FOR BUTTERFAT  
FROM CREAM GRADING.

Reports to Purdue University from twelve creamery companies purchasing cream in the eight counties in southwestern Indiana where cream grading has been in effect since April 1, show that the month of August over 250,000 pounds of butterfat was bought in this territory and that 60 per cent of this butterfat was paid for at the premium price.

Cream which grades premium brought farmers three cents over the regular grade of cream, so that the dairymen of the eight counties received approximately \$4,500 above what they would have received had they not delivered cream which graded premium.

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SNAPPING COTTON IS COSTLY  
SAYS MISSOURI SPECIALIST.

Snapping cotton, rather than picking it from the bolls, costs Missouri cotton producers from five to twelve dollars a bale of reducing its market value from one to two grades, according to Ide P. Trotter, extension cotton specialist of the Missouri College of Agriculture.

Cotton should be picked clean and not snapped, he says, if the greatest values are to be received, as snapping the crop lowers the value to a grade comparable with ginned cotton that contains much trash and discolored strands.

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APPLE PACKING SCHOOL TO BE  
HELD AT IRWOOD, WEST VIRGINIA.

A special short course for orchardists has been scheduled to be held at the West Virginia Demonstration Community Packing School at Irwood, November 23 to December 15, under the direction of the West Virginia Extension Division.

Instructions will center about the packing of apples in baskets and boxes. Experienced packers in both methods will be in charge of the work. Box making will also be described. Studies will be given regarding the marketing situation and problems, and in the underlying principles of community packing house organization, management, and finance.

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ECONOMICS BUREAU OUTLINES  
COTTON RESEARCH PROGRAM.

A cotton research program involving grade and staple estimates, spinning tests, studies of cotton consumption, studies tending to develop new and increased uses of American cotton, studies of the cotton markets, and studies of the relation of futures to spot cotton prices is outlined in a lithograph report just issued by the United States Bureau of Agricultural Economics. Copies may be obtained by writing the bureau, Washington, D. C.

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LIABILITY FOR PAYMENT OF FREIGHT CHARGES

In the case of Central Warehouse Co. v. Chicago, R.I. & P. Ry., reported in 20 (2nd) Fed. (No. 5) page 829, the above question is again decided in a manner similar to the findings in other cases which have been reported in Marketing Activities. That is, that freight charges at a rate duly authorized and promulgated must be paid, regardless of any contract between parties in interest or any misunderstanding which may exist in regard to the terms or conditions of sale, or endorsement or writing on bill of lading.

In this case a grocery company of Omaha, Neb., shipped to St. Paul, Minn., via C.R.I. & P. Ry. a carload of sugar. Shipment was made to order of shipper, notify Central Warehouse Company at St. Paul. Bill of lading was marked "prepaid" but contained the provision that

The owner or consignee shall pay the freight and all other lawful charges accruing on said property. No freight charges were demanded by the R.R.Co. upon delivery of car to plaintiff, who, relying upon the marking "prepaid" disposed of the car for account of shipper and remitted proceeds of sale less its commission for handling. Freight charges were not in fact prepaid and upon demand by R.R. Co. the Central Warehouse Co. refused payment. As shipper had become insolvent the R.R. Co. had recourse against consignee to pay the legal freight charges on the shipment.

In cases cited in this decision, the question of liability for payment of freight charges is discussed, all to the effect that there is no way to defeat the purpose of the law in requiring that a specific freight charge must be assessed by the R.R. Co. and must be paid by a party in interest; that the carrier is permitted to recover for the reason that consignee by accepting delivery assumed the obligation of paying the lawful rate, and any hardship imposed by reason of misunderstanding and change of situation in reliance upon it, cannot amount to an estoppel and thus avoid the requirements of the statute; that whatever obligations were imposed upon the original party to the contract of carriage were necessarily assumed by plaintiff here when it accepted bill of lading and demanded possession of the shipment. Quoting from the opinion:

"The Supreme Court in considering the statute has determined that the carrier has a lien for the usual charge, and that the consignee in accepting the shipment in any case assumes the obligation of discharging that lien. This obligation on the part of the consignee is not to be avoided because it imposes a hardship, or because he has relied upon the fact that the charges have been paid and changed his position to his detriment. The prime consideration that led to the enactment was deemed of such consequence to the public interest that individual cases of hardship ought not overcome the law.

"The initial carrier in this case by mistake caused the bill of lading to indicate that the freight charges had been paid by the consignor. The duty imposed upon the carrier by the act applicable to interstate shipments was to collect the lawful rate. This obligation was not only in its own interest of the public. It is not permitted to escape its duty by an oversight and thereby effect a discrimination. It is not within its power to so conduct itself that the plain terms of the statute will amount to nothing. The unintentional act of the carrier does not estop it from demanding payment of the lawful charge."

# MARKETING ACTIVITIES

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U. S. Dept. of Agriculture,  
Bur. of Agr. Economics Library,  
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### CALIFORNIA GETS 1928 SESSION OF COOPERATION INSTITUTE.

The fourth summer session of the American Institute of Cooperation will be held on the Campus of the University of California at Berkely, July 9 to August 4, 1928. The Trustees have decided to hold the Fourth Institute on the Pacific Coast as the result of the invitation of the University of California, sponsored by practically every cooperative association in that state.

It is now planned tentatively to hold approximately ten days of sessions in the field. The Institute will convene on the morning of July 9 at Los Angeles and the participants will study the work of the California cooperatives from field and orchard through the processing plants, touring the valley north to Berkely. They will then hold from two to three weeks' sessions, at which problems common to the east and west will be discussed and a complete picture will be given of the marketing processes and problems of the great cooperatives on the Pacific Coast.

The third session, concluded at Chicago recently, was one of the most profitable gatherings in the history of American Cooperation. Persons were in attendance from 31 states, the Philippine Islands, 3 Provinces of Canada, and from Ireland, India, Japan, Mexico, Poland, Germany and England.

Nearly 160 cooperative associations doing business in more than 40 states, and all the general farm organizations were represented by registrants at the institute. There were also representatives of 21 colleges and universities, 6 branches of the federal government, and 14 state departments.

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### PENNSYLVANIA PUBLISHES EXCERPTS FROM COOPERATION INSTITUTE SPEECHES.

Twenty-one short articles based on the speeches made during the third and fourth weeks of the Cooperation Institute at Chicago have been published by the Pennsylvania Department of Agriculture in its August-September issue of "Keystone Cooperation.

Titles of the articles include the following: "Many High Schools Teach Cooperation" by A. W. McKay, U.S. Department of Agriculture; "Adjust the Milk Surplus" by B. F. Beach, Michigan Milk Producers' Association; "Advocates Dairy Improvement Program", by Dr. C. W. Larson, U.S. Department of Agriculture; "Commission Merchant Disappearing in Western Cities," by A. R. Rule, Federated Fruit and Vegetable Growers; "Elimination of F.O.B. Shipments", by A. B. Leeper, Illinois Fruit Growers' Exchange; "Cooperation Among Produce Dealers", by A. H. Welch, South Water Market Trust.

FEDERAL-STATE TOBACCO GRADING  
SERVICE TO BE ESTABLISHED.

Establishment of a tobacco inspection and grading service on one of the Virginia tobacco markets this fall is being planned by the Bureau of Agricultural Economics and the Virginia Division of Markets. This is a new venture in which the two agencies will endeavor to procure the cooperation of all tobacco interests.

An official grader will be selected to grade tobacco only for farmers who desire the service, a small fee to be charged to help pay the expenses of the work. Among the objectives of the service are an effort to bring about a more uniform market for tobacco of like quality, color, and length, and to encourage farmers in the production of better quality tobacco.

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USE OF COTTON BAGGING FAVORED  
BY AGRICULTURAL COMMISSIONERS.

Concerted action looking toward the use of cotton covering for cotton bales was launched by the Southern Commissioners of Agriculture, in session recently at New Orleans.

A vigorous resolution was adopted favoring the putting of cotton to such use, and a bill is being drawn which will be submitted to the next Congress asking legislation providing for the sale of cotton by net weight.

The meeting declared that "the best way to keep the price of cotton above the cost of production is to find new uses for cotton, whereby a large crop can be absorbed, thereby preventing the piling up of a surplus that will become a burden on the market."

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NEW YORK SURVEY SHOWS THAT  
CONSUMERS DO NOT KNOW APPLES.

Of the three hundred to four hundred varieties of apples grown in the United States, only fifteen varieties are preferred in any consequence by the New York public, and of those varieties only eight are known and preferred by a considerable number of persons, according to a consumer demand survey just concluded by Earl R. French of the New York Food Marketing Research Council in cooperation with the Bureau of Agricultural Economics.

The New York City consumer, Mr. French finds, is unfamiliar with the types and varieties of apples he eats, and buys on the basis of appearance and recommendation of the retail merchant. Few consumers know the difference between eastern and western apples, and the different trade and brand names. An apple to most housewives is either an "eating" or "cooking" apple, only 750 out of 3,000 housewives declaring they buy apples by variety names, and less than 15 per cent that they mention "brand" as a means of designating orders.



SIX STATES MAKING PROGRESS  
IN MILK AND CREAM GRADING.

Six states, including California, Washington, Nevada, Minnesota, Iowa, and Indiana, are making definite progress in the grading of milk and cream, according to Roy C. Potts, Bureau of Agricultural Economics.

Urging the development of a uniform plan for grading cream and making payment for graded cream, Mr. Potts declares that there should be "serious consideration and thorough trial of practicable and feasible methods by creamerymen for buying cream on a graded basis with proper price differentials between the different grades. No creamery can be a great financial success when it has to continually take a loss on all the poor quality cream it purchases, and that quality constitutes a fairly large part of its total purchases. Neither can any creamery expect its patrons who are producers of good quality cream to be satisfied when the creamery has to take an undue profit on the good cream in order to cover the losses taken on the poor.

"Methods of cream grading can be discussed until doomsday, but the thing which will accomplish most is not mere talk, but decision on the part of creameries to put forth an honest effort with their fellow creamerymen to put into effect in a certain territory a system of buying cream on grade with the aid of the state and Federal government, which apparently has proven to be desirable, feasible and practicable in territory where it has been tried."

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CORN BORER CAMPAIGN EFFECTIVE  
IN COMBATTING PEST.

One and a half as many borers in 1927 as in 1926 as compared with four times as many in 1926 as in 1925, or one-sixth of the normal increase in the number of borers in the western infested area is announced by the U.S. Department of Agriculture with the completion of its survey of the results of the \$10,000,000 spring control campaign in New York, Pennsylvania, Ohio, Indiana and Michigan.

The department's opinion is that the spread of the borer to the entire Corn Belt is inevitable, but that the control measures used in the spring were sufficiently effective to lead the department to believe that serious commercial damage to the Nation's two billion dollar corn crop can be avoided to a considerable extent.

The joint spring campaign of the Federal and State forces having demonstrated the effectiveness of the control measures used in slowing down the increase of the number of borers, it is assumed by the department that adequate control measures will be continued by the States affected. The department will continue to cooperate with the States in scouting to determine infestation, the maintenance of quarantines, and in providing for necessary research and educational work insofar as the regular appropriations of the department for the purpose are available.

MINNESOTA CHARGES SHIPPERS AND  
CARRIERS WITH HEAVY HOG LOSSES.

One of the biggest factors causing heavy losses of hogs in shipments is the overloading of cars, especially in hot weather, according to E. F. Ferrin of the University of Minnesota. "This fault," he says, "is chargeable chiefly to the carrier which compels the shipper to pay freight on a greater weight than can be loaded without risk.

"Cars in need of repair cause crippling or damage to hogs in transit. Holes in floors, nails projecting on the inside of cars, cleats on floors, and unsafe doors, are all minor causes of loss which could be remedied by the railroad company.

"The carriers are further at fault in delivering unclean cars for reloading, although an order of the Interstate Commerce Commission expressly provides that cars must be cleaned.

"But the carriers cannot be held for all the loss. The disposition of the shipper to take a chance induces the practice of overloading, improper bedding of cars, and neglect to remedy minor defects in cars delivered to the loading station. In shipments of mixed cars of cattle and hogs, flimsy partitions which break down result in losses."

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NEW MEXICO STRESSED NEED  
FOR BETTER CATTLE MARKETING.

Rangemen must become familiar with the terms "conformation," "finish", and "quality" inasmuch as cattle now are sold on the basis of these qualities, declares Dr. M. R. Sharp of the New Mexico Agricultural College.

"The cattleman," Dr. Sharp says, "should learn to grade his cattle at home before shipping, because they are never sold as bulk on the market, but must be graded and sold according to the grade in which they are classed. This work must be done by the commission men at the stockyards, but the expense must be borne by the shipper, and it naturally means high priced labor."

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NEW YORK URGES FARMERS  
TO USE MARKET REPORTS.

Many farmers of New York State who have cash crops to market, would save money if they used more of the farm and market reports that are available, according to marketing specialists of the New York State College of Agriculture.

Attention is called to the New York State Crop report published by the New York State Department of Agriculture and Markets; the daily and weekly market reports on fruits and vegetables published by the U.S. Department of Agriculture cooperating with the New York State Department of Agriculture and Markets, and Crops and Markets published monthly by the United States Department of Agriculture.

ILLINOIS COLLECTS DAIRY  
COW COST FIGURES.

It cost an average of \$164.72 to keep a cow a year and \$2.08 to produce 100 pounds of milk on 37 farms in DuPage, Cook and McHenry Counties, Ill., where dairymen are cooperating with the Illinois College of Agriculture in keeping dairy cost records, according to H.C.M. Case, in charge of farm organization and management.

These 37 dairymen, who were owners of 733 cows, were members of their respective county dairy herd improvement associations and consequently the production of their cows was higher than that of cows on the average farm. Accordingly, the cost of producing milk on these farms was lower than it would be on the average farm.

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NEW HAMPSHIRE CONDUCTS  
TOUR OF BOSTON MARKET.

The New Hampshire State Grange has arranged a tour of inspection of the Boston Produce Market October 19 and 20, to give farmers first hand information as to how trading is conducted and produce handled in the large city markets so that New Hampshire producers may improve their marketing methods. Special transportation rates for the tour have been arranged with the Boston & Maine Railroad.

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FARM LABOR IN LARGER  
SUPPLY THAN YEAR AGO.

Farm hands have been slightly in excess of the demand this year, due largely to the lower volume of industrial employment, according to the Bureau of Agricultural Economics which reports the supply for the United States at 2.3 per cent larger than demand.

Farm wages are reported by the bureau at 75 per cent higher than the 1910-14 pre-war level, but farm wages are still well below relative industrial wages.

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MORE BUTTER AND MEATS  
IN COLD STORAGE.

Creamery butter stocks in cold storage continue larger than holdings a year ago, and increased stocks of meats and lard are reported by the Bureau of Agricultural Economics in its October 11 cold storage statement.

The smaller apple production this year is reflected in storage holdings which are placed at 436,000 barrels October 1 compared with 484,000 barrels on the same date a year ago, and 877,000 boxes compared with 1,809,000 boxes.



NEW JERSEY FARMERS' MARKET  
PROJECT A SUCCESS.

Nearly \$400,000 worth of blackberries, raspberries, huckleberries and peaches was sold on the Hammonton Farmers' Market, N.J. this year, at higher than delivered prices at New York City, under a project sponsored by the New Jersey Department of Agriculture.

T. A. Cole, the marketing director employed cooperatively by the State Department and the City of Hammonton, was assisted by specialists of the Bureau of Markets of the Department at the beginning of the season in instructing growers as to proper methods of grading and packing. Growers were also taught to pick their berries at the proper stage of maturity, to pack each day's picking by itself, and to use smaller containers so that a minimum amount of handling would be required before the product reached the consumer. All goods were sold between the hours of 1.30 and 3.00 p.m., prices prevailing on the New York, Newark, Boston and Philadelphia markets being shown on a bulletin board before the buying began.

Buyers came to the Hammonton market with their auto trucks from points as far west as Pittsburgh, Pa., and as far north as Boston, Mass. Competition for the well graded, firm products was such that prices received f.o.b. Hammonton generally equalled or exceeded the delivered price at New York City, and ranged from 50 cents to \$1 higher than the average delivered price in Philadelphia.

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UNITED STATES STANDARDS FOR BROOMCORN, effective September 1, 1927, have been issued in mimeograph by the Federal Bureau of Agricultural Economics.

FLOUR MILLING AND BREAD MAKING is the title of Bureau of Agricultural Economics bibliography No. 2, revised.

MARKETING APPLES IN THE POTOMAC-SHENANDOAH-CUMBERLAND VALLEY DISTRICT, summary of 1926 season, has been issued in mimeograph by the Federal Bureau of Agricultural Economics.

A PRELIMINARY STUDY OF 127 NEW MEXICO RANCHES IN 1925, has been published by the New Mexico College of Agriculture, Bulletin 159.

COMPOSITION AND COST OF COMMERCIAL FEEDING STUFFS IN 1926, is the title of Bulletin 545 issued by the New York State Agricultural Experiment Station.

MARKETING OF THE MICHIGAN POTATO CROP, summary of 1926-27 season, has been issued in mimeograph by the Federal Bureau of Agricultural Economics.

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## COOPERATIVE PROGRAM FOR GRADING LOUISIANA FLOOD AREA CROPS.

A cooperative program in which farmers in the Louisiana flood areas will be assisted in grading and packing their truck crops this fall and winter in an effort to secure satisfactory markets for these commodities has been initiated by the Bureau of Agricultural Economics and local State officials.

Many farmers in the flood area who were forced to put in truck crops instead of their usual plantings this year are unfamiliar with grading and packing methods, and W. E. Lewis, standardization expert of the Bureau of Agricultural Economics is now at Baton Rouge where he is cooperating with the State extension Service and county agents in the instruction of the growers in the use of Federal produce grades and packing practices. R. G. Hill, bureau standardization expert, will arrive later to assist in the work.

Specific instruction in grading and packing is to be given growers through the inspectors of the Federal-State inspection service under the direction of Federal Supervisor C. R. Newton. The inspection service is being expanded to meet the needs of the present emergency, the Federal bureau assuming an increased proportion of the costs in order that the service may be more generally available.

There has been considerable shifting in acreages of truck crops in the flood area this year, decreases being reported in some of the usual truck crop acreages and increases where truck crops have replaced staple commodities. L. L. Janes, Louisiana agricultural statistician, reports a large increase in cabbage acreage due to increased plantings in areas where the major crops such as sugar cane and corn were destroyed by the flood.

A part of Mr. Lewis' activities will be a careful survey of the entire truck crop situation in the flood areas, to determine what further action should be taken by the bureau in assisting producers. The Red Cross has offered to pay the carlot inspection fees under the shipping point inspection service so that all growers will be able to avail themselves of this service without additional costs. The complete program on grading, packing, and inspection will be carried out cooperatively by the State Extension Service and Federal marketing officials.

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GROWING AND MARKETING TEXAS VEGETABLES is the title of Bulletin 88 just issued by the Texas Department of Agriculture. The commodities discussed in the bulletin include beans, beets, cabbage, carrots, cucumbers, eggplants, lettuce, Bermuda onions, potatoes, spinach, tomatoes, and watermelons.

AGRICULTURE SHOWING MARKED  
IMPROVEMENT OVER YEAR AGO.

Marked improvement in the farm situation as compared with this time a year ago is reported by the Bureau of Agricultural Economics in its November 1 "Agricultural Situation".

The Bureau's index of purchasing power of farm products in terms of non-agricultural products is placed at 92 for September, compared with 88 in August, the 1909-14 five-year period being used as a base of 100. The rise was due primarily to the advance in prices of cotton, dairy products, and poultry products during the month.

"Conditions in general," says the report, "are rather reversed from last year. The cotton belt, the northern wheat belt, the cattle States, the northwestern apple districts are all in better shape. Some sections like the eastern corn belt and certain potato areas are perhaps not in as good shape, but the general balance as between the major lines of production is better than last year. There are no conspicuous surpluses nor shortages. Crop production per capita of population is next to the smallest in 33 years."

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METHODS DEvised FOR DETERMINING  
COMMERCIAL GRADES OF RAISINS.

Methods for determining the grades of raisins delivered to the packing houses by growers have been worked out by the Department of Agriculture in cooperation with the Raisin Association of California. The results of the studies are contained in Technical Bulletin No. 1-1, entitled "Tests for Commercial Standardization of Raisins," just published by the department.

It is believed that the determination of standards by simple mechanical and chemical tests read by direct scales will prove an improvement over the grading of raisins by visual inspection. The bulletin also describes briefly the method of curing raisins and explains how the supply depends to a considerable degree on the demand for juice and eating grapes, and the car supply.

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LYNCHBURG, VIRGINIA SELECTED FOR  
TOBACCO INSPECTION SERVICE.

Lynchburg, Virginia, has been selected as the market in which to demonstrate the practicability of a Federal-State inspection service on tobacco.

An inquiry among tobacco growers as to the need for this service yielded an almost unanimously expressed desire for assistance in this activity. The proposed service has received the approval of tobacco warehousemen and buyers, who have indicated their desire to help make the experiment a success.

A series of meetings of tobacco growers is being held this week in the Lynchburg territory at which methods of classifying tobacco so as to meet grade requirements will be discussed.



WESTERN EXTENSION WORKERS GIVING  
MORE ATTENTION TO ECONOMIC DATA.

Western extension workers, according to W. A. Lloyd, Office of Cooperative Extension Work, "are paying more attention to the field of agricultural economics, gathering all the economic data available applicable to a particular region or to a particular branch of agriculture, then placing these before the farmers with appropriate interpretations.

"Effort has also been made to enlist the interest and support of commercial, banking, manufacturing and transportation interests. The emphasis is on the agriculture of a region as a whole, or on a certain branch of agriculture, rather than on the various processes of the unit as formerly. With the economic facts bearing on a farm enterprise or agricultural area thoroughly understood, farm organizations and extension workers should be in position to think out a long-time constructive extension program."

Mr. Lloyd is the author of Miscellaneous Publication No. 8-M, entitled "A Review of Five Years of Fact Organization and State Regional Program Making in the Western States, and a Report of the 1927 Extension Conference," just issued by the Department of Agriculture.

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UNIFORM ACCREDITATION RULES  
NEEDED BY POULTRY INDUSTRY.

Need for uniform accreditation rules to eliminate the confusion now existing because of differences in rules and regulations applied to certification and accreditation of poultry flocks in the various States is emphasized by Department of Agriculture officials, announcing a national conference of official State delegates at Chicago, November 30, at which a national uniform plan applicable to the poultry industry of the entire country will be discussed.

Under present conditions, say department officials, prospective purchasers of hatching eggs, baby chicks, or breeding stock do not know just what factors are taken into consideration in certifying or accrediting flocks, unless they are familiar with the regulations governing such work in each State.

Twenty-two States have adopted regulations for certification and accreditation of flocks, but the differences in methods, plans, and rules governing accreditation and certification is retarding the progressive development of the industry.

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IDAHO TO HOLD SERIES OF  
ECONOMIC CONFERENCES.

Conferences of farmers and agricultural specialists to consider economic phases of farming in their sections, will be held next February in Minidoka and Jerome Counties, Idaho, according to plans announced by J. H. Rearden, Idaho State county agent leader. A regional conference, dealing particularly with agriculture on the Minidoka tract, was held in Burley last February.

NEW FRUIT TERMINAL  
OPENED AT NEW YORK.

The Pennsylvania Railroad formally opened its new perishable freight terminal at Piers 27, 28 and 29, North River, New York, October 22. The terminal is said to be the world's largest railroad terminal devoted exclusively to fresh fruits, green vegetables, and dairy products.

General W. W. Atterbury, President of the Pennsylvania system, declared the terminal was the last link in a chain of such terminals extending to Chicago and St. Louis. Nearly 400,000 square feet of floor space is provided by the three reconstructed piers and bulkheads which have concrete floors, sloped for drainage and flushing. The piers and bulkheads are entirely enclosed and heated. Eight auction rooms are provided. The piers are each approximately 900 feet long and 72 feet wide. Twelve entrances are provided for trucks. The terminal has a capacity for unloading and displaying 700 cars simultaneously.

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WISCONSIN MARKETS DEPARTMENT  
APPOINTS HONEY MARKETING AGENT.

Appointment of James Gwin as honey marketing agent with the Wisconsin Department of Markets has been announced by Commissioner of Markets, J. H. Vint. The addition of Mr. Gwin to the staff of the department was made pursuant to an act passed by the 1927 Legislature providing for an extension of honey marketing activities.

The new law makes it mandatory upon the Department of Markets to assist the beekeepers of the state in building up their organization, pooling and improving their products, marketing honey and other bee products, and in general advancing the bee industry of the state.

Mr. Gwin has been a beekeeper for many years and is President of the Wisconsin Beekeepers Association, his term as president expiring in December. He will also assist Mr. C. D. Adams, the honey grading supervisor of the department in the grading of honey.

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CATTLE GRADING DEMONSTRATIONS  
POPULAR IN NEW MEXICO.

A series of cattle grading demonstrations conducted by J. K. Wallace, Federal Bureau of Agricultural Economics, in seven counties of New Mexico, is reported by the New Mexico Extension Service as "going over big".

Mr. Wallace accompanied his grading demonstrations with talks on market conditions, consumer demand, and the difference in spread of price between the choice and common cuts of meat. He pointed out the benefits derived by cattlemen through grading their own cattle before shipping to market, and of selling cattle by weight rather than by numbers.

WISCONSIN STUDIES TOBACCO  
PRICE-MAKING FACTORS.

A study of the factors which determine the prices received for Wisconsin tobacco has been concluded by the Wisconsin Department of Markets, and the results published in Bulletin No. 5, entitled "Tobacco Marketing in Wisconsin.

Data are presented showing Wisconsin's relation to other states and sections in regard to production, yield per acre, total value, and price per pound. The bulletin discusses cultural methods, standardization, and distribution.

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MANY APPLICANTS RECEIVED FOR  
SEED VERIFICATION SERVICE.

A conference with applicants for the seed verification service inaugurated recently by the Bureau of Agricultural Economics was held at Chicago following the fall meeting of the Farm Seed Association of America, for the purpose of explaining the forms to be used and procedure to be followed, so that proper safeguards would be thrown about the service and yet not encumber it.

There were 64 applicants for the service, more than half of them members of the Farm Seed Association. It was emphasized that although applicants at the outset would be put largely on their honor to maintain complete and accurate records, the service would be supervised in such manner that the buyer of seed bearing a verified-origin certificate would have assurance that the locality of production was as stated on the certificate. It was decided to limit verification of origin this year to alfalfa, clovers, and seed corn, other kinds of seeds to be added as the service develops.

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STANDARDIZATION AND INSPECTION  
BOOST PENNSYLVANIA SALES.

"Quality production and sale by standard grades" is becoming the slogan of hundreds of farmers, fruit and vegetable growers, who are now grading and selling a uniform product of known quality, says the Pennsylvania Bureau of Markets.

"This has resulted in uniformly graded fruits and vegetables being shipped in greater quantity from the important producing sections of Pennsylvania this year than ever before. Never has there been such a demand from producers and shippers in so many different counties for the Federal-State shipping point inspection service. Hundreds of carloads of apples, peaches, potatoes and cabbage have been inspected at shipping points so far this season. Likewise, demonstrations of the U. S. grape grades have been given to growers in Erie county, and preliminary work has been carried on in York county in adopting the use of standard grades in the marketing cannery tomatoes!"

"Standard Grades for Farm Products" is the title of Bulletin 450 recently issued by the Pennsylvania Department of Agriculture.



ALABAMA CURB MARKETS SELL  
VOLUME OF SURPLUS CROPS.

Eighteen curb markets in Alabama sold up to October 1 a total of nearly \$475,000 worth of farm produce, most of which Miss Isadora Williams, district home demonstration agent declares would otherwise have been wasted. Miss Williams reports that in addition to disposing of these products, the production of new products has been encouraged as a result of the curb marketing activities.

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COLORADO WARNS AGAINST OVER-  
EXPANSION OF CATTLE INDUSTRY.

R. T. Burdick, Colorado Agricultural College economist, advises cattle men against "feverish expansion" as the result of present high cattle prices.

Cattle men, he declares, should use present favorable cattle prices to pay debts and put their affairs in shape, rather than to use them to start a feverish expansion whose ultimate goal most assuredly will be disaster.

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GOVERNMENT CORN BORER CONTROL  
IMPLEMENTS LOANED TO FARMERS.

Thousands of dollars worth of farm machinery, bought by the Federal Government for use in corn borer control campaigns and now stored near Toledo, Ohio, will be loaned to Ohio farmers this fall if they ask for it, according to announcement by the Ohio Extension Service.

L. H. Worthley, Federal field administrator of corn borer control at Toledo has announced that farmers in borer-infested territory may have the use, free of charge, of government-owned stubble pulverizers with tractors and power take-off attached. The farmer has only to supply the operator, gas and oil, and abide by certain conditions.

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MACHINERY LOWERS POTATO  
COSTS IN MASSACHUSETTS.

Advocating machine methods in planting and harvesting potatoes, the Massachusetts Agricultural College has recently published the results of a cost investigation.

Man labor on potatoes, says the college, varies more from farm to farm in Massachusetts than any other cost factor. Surveys show differences as wide as from forty to two hundred hours of man labor per acre in growing potatoes. It was found that one grower used 82 hours of man labor and the other 167 hours per acre. The first grower made a return per hour of man labor over all cash costs of \$1.57; the other made only 94 cents. The first man used machinery - planter, sprayer, and digger; the other got along with hand tools.

# STATE AND FEDERAL MARKETING ACTIVITIES AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL  
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

Nov. 2, 1927

Vol. 7, No. 44

## STANDARDIZATION IS HELPING SOLVE MARKETING PROBLEMS.

Use of national standards for farm products is reducing marketing costs, saving costs on inferior products which formerly returned less than handling charges, and placing higher grade products in the markets, according to the Federal Bureau of Agricultural Economics which attributes much of the remarkable expansion of the fruit and vegetable industry in recent years to the use of these standards.

Lloyd S. Tenny, chief of the Bureau of Agricultural Economics, who has been personally identified with the Government program of farm products standardization the past thirteen years, is the author of a comprehensive discussion of the subject, and historical review of the development of standards for each farm product, just published by the United States Department of Agriculture, entitled "National Standards for Farm Products."

Mr. Tenny declares that "the real progress (in national standards) has been made during the recent period of agricultural depression when every function of our marketing machine has been tested with a view to the possible elimination of waste. The whole standardization movement has been further expedited by the development of a specialized agriculture which has rapidly changed the marketing of farm products from a problem of local or regional importance to one of national and even international significance."

There has been much discussion among various farm groups as to the profitableness of grading agricultural products. On this point Mr. Tenny says that "whether or not the producer or marketer is paid for the additional effort and expense involved in making such classification depends upon his subsequent marketing practices. For example, a country merchant seldom establishes price differentials for different grades when buying eggs from producers in very small lots. On the contrary, a large assembler of eggs might find it practically impossible to engage in business through regular trade channels without conforming to recognized grading practices. As a general statement it may be said that the smaller the volume of business the less likely it is that grading to generally recognized standards will pay. In large-scale operations, however, standardization is now universally recognized as a basic requirement for success."

The bureau has issued standards for 35 different fruits and vegetables. Many states have enacted laws providing for the use of the national standards in intra-state trade, and the trade everywhere, whether acting under local compulsion or voluntarily, is using the grades as a practical necessity in the marketing machinery.

SECRETARY JARDINE URGES COOPERATION  
IN SOLVING AGRICULTURAL PROBLEMS.

Individual and organized effort must be relied upon to solve the major share of the "farm problem" - which in reality is a group of problems - but there remains a field for legislation designed to promote equality of opportunity for individuals and groups, and to help farmers help themselves by organized effort, Secretary Jardine of the Department of Agriculture declared in a recent statement.

"It is not like," he said, "that one measure can be framed to include all the agricultural legislation that should be enacted. Federal laws are not sufficient to cover the whole field of farm legislation, although they have been so emphasized in recent years that State legislation has been all but overlooked. Problems of State and local taxation and of local banking must be dealt with by State legislation.

"Local shipping associations, local elevators, local creameries, and similar organizations are doing a splendid work and are necessary as a foundation for larger effort, but separately they are manifestly incapable of dealing with the larger problem of securing adequate bargaining power for the farmer in the markets where his products are sold. They handle a small volume of business, seldom reach into the central markets, and never handle sufficient volume to have any appreciable influence in the markets.

"These small institutions should be federated into regional and national organizations operated along commodity lines. The locals would serve as nuclei for that large body of underlying membership which is essential to effective effort. We must learn to work together for a common purpose, as industry and labor cooperate in their respective fields."

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SETTLEMENT OF EXCESS WOOL PROFITS  
SITUATION RECEIVES FURTHER SET-BACK.

Further postponement of the settlement of disputed points in the excess wool profits situation was caused when the Supreme Court, October 17, dismissed the excess wool profits case of the United States vs. W. A. and J. N. McFarland on the ground that the questions presented to the Court in the argument did not coincide with the questions raised in the Government's petition for its consent to consider the case.

This action is neither for nor against the Government and leaves the main question as to the validity of the 1918 Government wool regulations undecided by the highest tribunal. Inasmuch as no further action can be taken in the particular case before the Court, the only way to obtain a Supreme Court decision will be the advancement of some other excess wool profits case pending in one of the Federal District Courts. Several wool cases already tried are now awaiting decision in the Federal District Courts and a number of others are awaiting trial.



FEDERAL AND STATE COOPERATION  
SHOWING LARGER INCREASE.

There are now 341 active agreements for cooperative activities between the Federal Bureau of Agricultural Economics and State agricultural bodies. Every State is represented, and Porto Rico.

Crop estimating work is being conducted in cooperation with 34 States and Porto Rico. The Fruit and Vegetable Inspection Service is cooperating with 35 States. The Hay, Feed and Seed Division is conducting a cooperative hay inspection service in 14 States, bean inspection service in 6 States, and soy bean inspection service in 4 States.

The Division of Dairy and Poultry Products is conducting cooperative Federal-State inspection service on dairy and poultry products in 3 States; Federal-State inspection service on dairy products only in 2 States; Federal-State grading service on dairy and poultry products in 1 State, and on poultry products only in 1 State. This division also is collecting dairy products statistics in cooperation with 14 States.

The bureau is cooperating with 24 States in the market news service, and is conducting cooperative research work in 45 of the 48 States.

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IDAHO ENTERS RECORD-KEEPING  
PROJECT WITH IDAHO POULTRYMEN.

A record-keeping project planned for the general information of the poultry industry has been started as a cooperative enterprise by the Idaho Extension Service and Idaho poultrymen. The extension service is furnishing the subject matter and record forms and poultrymen are cooperating by keeping the records and by furnishing data collected from their flocks as general public information. Use of the records is expected to be the basis for better business methods and management practices.

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NATIONAL APPLE WEEK  
CELEBRATION IS ON.

National Apple Week was launched October 31 to run until November 5 inclusive. The celebration is being participated in by more than 100 cities. A feature of the campaign this year is a National radio program broadcast from a New York station. Canada's apple industry has become interested in the campaign and will hold a celebration two weeks following the close of the campaign in the United States.

SECRETARY JARDINE GIVES REASONS  
FOR PRICE PREDICTION REPORTS.

The principal reason for undertaking to summarize the agricultural situation each month and indicate probable prices in the near or more distant future, declared Secretary Jardine of the Department of Agriculture in a recent statement, "is that every farmer who gives serious thought to the business of farming must of necessity form some judgment as to future prices as a basis for planning his production and marketing.

"Very few individual farmers have in hand the necessary extensive information or are in a position to make the necessary calculations as a basis for forming good judgments as to probable prices. Industry is thoroughly organized, and through compact individual organizations or trade associations business men are kept informed in regard to supplies demand, and other factors affecting the prices of their products.

"Farmers, on the other hand, to the number of 6,000,000 scattered throughout the United States are not sufficiently organized to perform this service for themselves. Some other agency must do it. The Department of Agriculture is a service institution for the farmer, and is now developing an economic service which will aid him in planning his production and in marketing his product more advantageously. This service has been developed in response to the increasing demands of farmers and their organizations."

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FARM PRICES CONTINUE  
HIGHER THAN YEAR AGO.

Continuance of the general level of farm prices above that of last year is reported by the Bureau of Agricultural Economics, the index of farm prices being placed at 139 for October 15, against 140 on September 15, and 130 in October a year ago. No unusual price movements are reported by the bureau for the month ending October 15.

Practically all kinds of livestock advanced in price during the month, but crops were slightly lower with the exception of oats and apples. The farm price of beef cattle October 15 is the highest since October 1920, the rise being attributed to light seasonal market receipts which have been considerably under those of last year, and the smallest in six years.

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NEBRASKA AGRICULTURAL STATISTICS, 1926, is the title of a 207-page publication issued cooperatively by the United States Department of Agriculture and the Nebraska Department of Agriculture. The publication was compiled by State and Federal Statistician A. E. Anderson, and F.K. Reed, Assistant Statistician, Lincoln, Nebraska, and is one of the best of its kind we have seen. Copies may be obtained from the Nebraska Department of Agriculture.

VIRGINIA TO EXTEND RESEARCH  
IN MARKETING PROBLEMS.

Expansion of present agencies for the study and promotion of marketing problems has been advocated by a Committee on Agricultural Economics and Marketing of the Virginia Extension Division.

A department of agricultural economics and rural sociology has been set up by the experiment station, and the agricultural college has introduced several courses in marketing. The vocational agricultural high schools have also made considerable progress in introducing marketing work in their course of instruction.

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JAPANESE BEETLE QUARANTINE  
IS AMENDED BY AGRICULTURAL DEPARTMENT

An amendment of the Japanese beetle quarantine, adding parts of ten counties in Pennsylvania, two entire counties in New York, and part of one county in Connecticut, to the area designated as regulated on account of this insect, has been announced by the United States Department of Agriculture.

An eradication experiment with respect to certain outlying points of supposed infestation has been authorized at the request of the States concerned.

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FARM REAL ESTATE SITUATION SHOWS  
SLIGHT CHANGE IN OWNERSHIP.

No marked changes in farm ownership for the year ending March 15, 1927, are indicated by the annual summary of the farm real estate situation just published by the Bureau of Agricultural Economics. Voluntary sales and trades of farms dropped from 30 to 28 per thousand farms during the last year, and forced sales and related losses of title increased slightly from 21 to 23 per thousand farms. The decline of 4 per cent in land values, as announced last month, was chiefly evident in the cotton and corn areas.

The credit situation with respect to farm real estate continues favorable, the bureau points out; first mortgage money is in good supply at favorable interest rates, and farm taxes have apparently passed the peak with the outlook for a downward tendency in the immediate future. The outlook in the investment markets points to still lower interest rates, the bureau says, and continued favorable farm mortgage rates can be expected to hold for some time to come, with slight further declines not improbable.

The land market continued dull last year, on the whole, according to the survey, although here and there considerable local activity is reported. The bureau's real estate correspondents in some regions call attention to the fact that established farmers of means are beginning to look around for neighborhood bargains to enlarge their holdings, and reports are current of syndicates being formed for the purpose of buying up foreclosed and other distress farms in the corn belt and holding them for a rise in value.



VIRGINIA APPLE GRADING AND  
MARKING LAW GETTING RESULTS.

Information gathered from apple growers and cold storages in Virginia, and apple dealers throughout the country, as well as from a representative of the Bureau of Agricultural Economics on the London market, shows that the Virginia apple grading and marking law is improving the pack of apples put out by Virginia growers this season compared with former years, declares the Virginia Division of Markets.

The division has learned that dealers are almost unanimous in their statements that the law is getting highly desired results. Edwin Smith, Bureau of Agricultural Economics representative in London, declares that thus far the growers and shippers in Virginia have done well in packing and marking their fruit in accordance with the Virginia law and rules and regulations. There have been violations, but according to Director J. H. Meek of the Virginia Division of Markets, the growers are rapidly learning how to pack in accordance with the requirements, and the apples being sold this year are more truly marked in accordance with actual facts.

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WEST VIRGINIA LAND UTILIZATION  
SURVEY IS UNDER WAY.

A land utilization survey for the purpose of collecting information on farming conditions and on forestry conditions is being made in West Virginia under a cooperative arrangement between the United States Department of Agriculture and the West Virginia College of Agriculture.

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OHIO STUDIES MARGINS BETWEEN  
NEW YORK AND OHIO EGG PRICES.

Ohio poultrymen who ship eggs to New York during November, December, and February have gained less than at any other time of year, according to an analysis of New York and Ohio egg prices for the past four years by the rural economics department at the Ohio State University.

V. R. Wertz, economist making the study, compared the farm price of eggs in Ohio with monthly wholesale prices of eggs in New York City on three grades of eggs: fresh-gathered firsts, extra firsts, and closely selected white extra fancy nearbys. Few Ohio eggs grade high enough to come under the third classification.

On fresh-gathered firsts the greatest gain for Ohio poultrymen who ship eggs to New York seems to be from March to June. On extra firsts the greatest spread between the Ohio farm price of all eggs and the New York price for this grade comes in July, August and September, with the New York price averaging about 8 cents higher than Ohio farm prices,

STATE AND FEDERAL  
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TENTATIVE PROGRAM, ANNUAL MEETING  
NATIONAL ASSOCIATION OF MARKETING OFFICIALS  
NOVEMBER 28-30, CHICAGO.

Monday, November 28.

9:30 A.M. President's Address.

Agricultural Cooperative Organizations.

- 10:00 A.M. Cooperative "Clearing-house" Organizations.  
The Quotation Committee of the Eastern Shore Farmers' Association. Franklin B. Bomberger, Director, Marketing Bureau of the Del-Mar-Va Eastern Shore Association, Salisbury, Maryland.  
Unifying the Commodity Industry - Three California Examples. Wells A. Sherman, Chief, Division of Markets, California Department of Agriculture, Sacramento, California.  
Organization of the Orange Growers of Florida - L. M. Rhodes, Commissioner of State Marketing Bureau, Jacksonville, Florida.  
Functions of the Bureau of Agricultural Economics as Related to Marketing Organization. - Lloyd S. Tenny, Chief, Bureau of Agricultural Economics.
- 1:30 P.M. Report of Committee on Legislation - Alvin C. Reis, Chairman.  
Recent Progress in Market Legislation - H. F. Fitts, Bureau of Agricultural Economics.
- 2:30 P.M. Report of Committee on Sales and Consignments - R. L. Spangler, Bureau of Plant Industry, Boise, Idaho.
- 3:00 P.M. The work of the Institute of American Meat Packers - W. W. Woods, Executive Vice-President, Institute of American Meat Packers.
- 3:30 P.M. Report of Committee on Cooperative Organizations - Robin Hood, Tennessee Cotton Growers Association, Chairman.
- Discussion: Developments in Agricultural Cooperation, Leader - Robin Hood.

Tuesday, November 29.

Current Marketing Problems In Agriculture

9:00 A.M. Market Information.

Recent Developments in Economic Information - J. Clyde -  
Marquis, Director of Economic Information,  
U. S. Bureau of Agricultural Economics.

Report of Committee on Market Reporting - E. W.  
Sherburne, New Jersey Department of Markets,  
Trenton, New Jersey, chairman.

Report of Committee on Crop and Livestock Estimates -  
J. Austin Hunter, State Department of Agri-  
culture, Austin, Texas, Chairman.

Discussion.

10:30 A.M. Consumer Demand

The Consumers' Influence on the Market. - P. R.  
Taylor, Director Bureau of Markets, Pennsylvania  
Department of Agriculture, Harrisburg, Pa.

Consumer Demand for Apples in New York City: A  
Study by the New York Food Research Council -  
Earl R. French, Executive Secretary, New York  
Food Marketing Research Council, New York City.

Report of Committee on City Markets - H. E. Crouch,  
Bureau of Markets, New York Department of  
Agriculture and Markets, Albany, N. Y., Chairman.

Chain Stores - James E. Boyle, Cornell University, N. Y.  
Discussion.

1:30 P.M. Transportation.

Truck Transportation and Its Relation to the Market-  
ing of Fruits and Vegetables.

C. W. Waid, Chief, Division of Fruit and Veg-  
etable Standardization, Ohio Department of Agri-  
culture, Columbus, Ohio.

A. E. Mercker, Chief, Bureau of Markets, New  
Jersey Department of Agriculture, Trenton, New  
Jersey.

Report of Committee on Transportation - W. W. Fetrov,  
Oklahoma Agricultural College, Stillwater, Okla.

Discussion.

3:00 P.M. Standardization and Inspection.

Recent Developments in Meat Standardization and  
Grading - W. C. Davis, U. S. Bureau of Agri-  
cultural Economics.



Tuesday, November 29 (Continued)

Report of Committee on Standardization - C. M. White, Chief, Division of Markets, Maine State Department of Agriculture, Augusta, Maine, Chairman.

Discussion: Shipping Point Inspection Problems and Experience with Compulsory Grades.

Leader: C. M. White.

W. T. Derickson, Chief Bureau of Markets, Dover, Delaware.

L. M. Rhodes, Commissioner, State Marketing Bureau, Jacksonville, Florida.

Mr. Essinger, Bureau of Markets, Lansing, Michigan.

F. V. Waugh, Chief, Division of Markets, Boston, Massachusetts.

H. Dean Phillips, Chief, Bureau of Markets, Albany, New York.

C. M. De Valut, University of Maryland.

Joint Banquet

Members of the National Association of Marketing Officials and National Association of Commissioners, Secretaries and Departments of Agriculture will hold a joint banquet at the Congress Hotel, Tuesday evening, November 29th, at 6:30.

Toastmaster -

Address - Honorable W. M. Jardine, U. S. Secretary of Agriculture.

Address - Honorable Charles Nagle, St. Louis, Mo., Chairman, Business Men's Commission of Agriculture, U. S. Chamber of Commerce.

Wednesday, November 30.

8:00 A.M. Business session.  
Election of officers.  
Reports of Special Committees.

9:00 A.M. Egg Marketing.

New York State Egg Grades. Progress in Grading under the New Standards.

H. D. Phillips, Director, Bureau of Markets, State of New York Department of Agriculture and Markets, Albany, New York.

Chain Store Marketing of Eggs. Mr. B. Gabriel, Egg Department of the Great Atlantic and Pacific Tea Company.

Will it be Desirable to Buy Eggs on Basis of Grade in the Corn Belt. H. B. Collins, Poultry Department, Swift and Company.

Wednesday, November 30, 1927 (Continued)

Plans for Research Work in Dairy and Poultry Products. Dr. F. A. Buechel, Bureau of Agricultural Economics.

Egg Marketing Problems - Discussion by Representatives of various states.

A. A. Woods, Wisconsin Department of Markets, Madison, Wisconsin.

Clyde Kennedy, Assistant Secretary of Agriculture of Iowa, Des Moines, Iowa.

W. T. Derickson, Chief, Bureau of Markets, Delaware State Department of Agriculture, Dover, Delaware.

1:30 P.M. The afternoon and evening will be devoted to the National Poultry Conference, called by the Bureau of Animal Industry, to meet at the Sherman Hotel. Members of this Association are invited. The purpose of the conference is the consideration of uniform rules and regulations governing the various stages of the official state plan of poultry improvement work.

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#### CALIFORNIA LAYS EMPHASIS ON HAY GRADING WORK.

A series of seventeen hay-grading demonstrations are being held in California under a cooperative arrangement between the California Extension Service and the Federal Bureau of Agricultural Economics. The demonstrations are scattered from Sacramento County to San Diego.

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#### SECRETARY JARDINE EXPLAINS USE OF PRIVATE SOURCES OF INFORMATION.

Question has been raised as to why the United States Department of Agriculture uses data from private sources in statements analyzing the situation with reference to important farm crops.

"Reliable official sources," declares Secretary Jardine, "are used whenever available. For some phases of these reports, however, the department and other Government agencies do not have the necessary data. This is particularly true of supply and demand conditions in foreign countries. It becomes necessary at times, therefore, to use data from private sources. In using such data, however, the department critically examines all available sources and selects what in its judgment supplies the most dependable information. Naturally, the use by the Department of Agriculture of data from private sources in this manner does not necessarily make these data official."

GEORGIA FARMERS' WEEK TO  
STRESS MARKETING SUBJECTS.

The twenty-first Annual Farmers' Week and Marketing Conference in Georgia will be held the week of January 23-28, 1928, at the Georgia State College of Agriculture at Athens.

These annual conferences, declares Dr. Andrew M. Soule, President, furnish the opportunity for leading farmers, directors and executives of farmer's organization, county agricultural agents, the agricultural people of railroads, and other corporations, distributors of farm products, and others to gather to formulate marketing plans for the ensuing year. The program this year will emphasize production, conservation, utilization and marketing of Georgia's farm products.

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SURVEY SHOWS REASONS FOR FARM  
AND CITY POPULATION MOVEMENTS.

Numerous factors other than that of economic pressure have been responsible for the unprecedented migration from farms to cities in recent years, the Bureau of Agricultural Economics has learned in a survey of the situation. The opportunity for making a better living on the farm than in the city, however, was found to be the principal reason why persons move from cities to farms.

The survey disclosed that some farmers move to town because they can not make farming pay, or are drawn to the city by the lure of a larger income; others move because of better school facilities for their children; others because of being physically unable to continue farming, and a small number because of financial ability to retire.

Most of the persons moving from cities to farms were found to be former farmers who had been disillusioned by city life. They found they could make a better living on the farm than in the city. Some moved back to the farm because of better living conditions in the country; the high cost of living in cities drove others to the farm, and still others were induced to take up farming for the satisfaction of an independent life.

The bureau's survey covered 2,745 persons now in cities who had moved from farms scattered generally throughout the country, and 1,167 persons on farms who had recently moved from cities stated their reasons for giving up city life. Detailed results of the survey have been published in a mimeograph report entitled "Analysis of Migration of Population To and From Farms," copies of which may be obtained from the Bureau of Agricultural Economics, Washington, D. C.

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MONTANA HOLDS CONFERENCE ON WOOL  
GRADING AND RANGE MANAGEMENT.

The grading and marketing of wool, control of diseases in sheep, and efficient range management are subjects being considered by Montana sheepmen at a series of six meetings being held in important sheep producing sections of the State this week under the direction of the Montana Wool Growers' Association and the Montana Extension Service.



POTATOES - CONTRACT PRICE

In an action brought by Mutual Sales Agency v. Hori (259 Pac. 712) in the Supreme Court of Washington covering a carload of potatoes the contract price was the question at issue.

It appears that plaintiff ordered a car of potatoes from defendant and had not interpreted the sale price in the same terms as quoted by defendant. However, in order to procure the potatoes, the draft drawn by defendant was paid by plaintiff, the sum at issue being approximated \$400. The trial resulted in a judgment in favor of the Mutual Agency, and from that judgment an appeal was taken by Hori.

Judgment reversed.

In the findings of the court it is stated:

"It is apparent, therefore, that the minds of the parties never met upon the contract price, and it was the duty of the respondent to refuse to receive the potatoes unless it was willing to pay the price the appellant asked for them. Having paid the price at which the potatoes were quoted, and having taken possession of them and converted them to its own use, it is now estopped from asserting that there was an overpayment of the purchase price."

On the question of grade, the respondent argued that the potatoes were billed to indicate a grade different from that actually received. This contention, however, was held to be immaterial for the reason that it voluntarily paid the price for the better grade and can not now be heard to contend that the grade was something different.

--H. F. Fitts

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WEST VIRGINIA POTATO GROWERS  
MEET FOR MARKETING CONFERENCE.

Potato growers from 25 leading potato counties of West Virginia are to meet in a series of three conferences November 8, 10, and 12 to survey the year's activities in potato production and marketing, the West Virginia Extension Service has announced.

Special attention will be given to encouraging others to enter into the cooperative marketing project which has been particularly successful the last season. Seed and fertilizer for next year's crop will be discussed.

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THE STORY OF VIRGINIA PRODUCTS THAT EXCEL is the title of a generously illustrated booklet just published by the Virginia Department of Agriculture. Ten Virginia products are "glorified" in the publication including the Old Virginia Winesap, the luscious Albermarle Pippin, the Smithfield Ham, Virginia tobacco, seafood, peanuts, Virginia lamb and grass-finished beef, potatoes, melons, and cabbage.

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U. S. STANDARDS REFLECT THE APPROXIMATE FEED VALUE OF ALFALFA is the title of a mimeograph statement issued by the Hay, Feed and Seed Division, U.S. Bureau of Agricultural Economics.

STATE AND FEDERAL

# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

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Nov. 16, 1927

Vol. 7, No. 46

### NEW HAMPSHIRE TO ESTABLISH GRADES FOR FARM PRODUCE.

Establishment of tentative grades for asparagus, celery, strawberries, bunched beets, carrots, turnips, and globe radishes will be discussed at the annual meeting of the New Hampshire Horticultural Society, Manchester, N. H.; November 17. Action on the grades follows a meeting of a committee appointed by the Horticultural Society, the New Hampshire Commissioner of Agriculture, and the Agent in Marketing, November 5, at which there was unanimous agreement as to the wisdom and necessity of the establishment of such grades. Establishment of grades for other fruits and vegetables will await results with the limited number of grades enumerated above.

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### MARYLAND DEMAND INCREASES FOR POTATO SEED INSPECTIONS.

Four hundred and ninety-two acres devoted to the production of Irish potatoes for seed have been inspected thus far this year in Maryland, with every prospect that final inspections now under way will bring the total well above the 500-acre mark, according to Dr. R. A. Jehle, University of Maryland Extension Service.

The demand for inspection of seed potatoes has increased steadily the last six years, but the acreage this year is nearly double that in 1926.

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### COOPERATIVE CROP REPORTING SERVICE BEGINS IN OHIO.

A cooperative crop and live stock reporting service in Ohio is provided for in an agreement between the Ohio Agricultural Experiment Station and the Division of Crop and Livestock Estimates, U. S. Bureau of Agricultural Economics.

The service contemplates the preparation of county estimates of crops, livestock and prices, and the gathering of special economic data relating to agriculture.

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ANNUAL MEETING, NATIONAL ASSOCIATION OF  
MARKETING OFFICIALS, CHICAGO, NOVEMBER 28-30.  
PROGRAM WAS GIVEN LAST WEEK.

NEW JERSEY GROWERS TO COMPETE  
IN APPLE PACKING CONTEST.

New Jersey fruit growers will compete in an apple packing contest at the annual exhibit of the New Jersey State Horticultural Society at Atlantic City, December 14, 15, and 16. Among the requirements of the contest are that the contestants use the E-Z Pack bushel baskets, which will be furnished by a hamper and basket company, that the fruit be grown on the contestant's own farm, and that all packing be done to stand shipment. After the contestants have packed the fruit, it will be loaded on a truck and hauled a distance, then brought back to the exhibit hall to be judged.

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NEW YORK RUNS POTATO  
DEMONSTRATION TRAIN.

A Special Potato Demonstration Train featuring grading methods, inspection, and market news is being operated by the Erie Railroad in New York State in cooperation with the New York State Department of Agriculture and Markets, Nov. 7 to Nov. 17.

The train contains an exhibit showing how to grade potatoes to comply with the requirements of U. S. No. 1 grade, a commercial exhibit of 20 sacks of potatoes from different shippers and shipping points, each sack to demonstrate Western New York potato quality, and a display of daily market reports.

-oCo-

AGRICULTURAL RADIO PROGRAMS  
BROADCAST BY 117 STATIONS.

One-hundred and seventeen representative commercial and agricultural college radio stations are now broadcasting radio programs prepared by the United States Department of Agriculture. Pennsylvania leads with nine stations broadcasting the department's programs, followed by New York, Texas, California, and Missouri. The radio stations are distributed over 38 states and the District of Columbia.

-oCo-

SMALLER POULTRY STOCKS IN STORE;  
BUTTER HOLDINGS CONTINUE HEAVY.

Smaller total stocks of frozen poultry in cold storage November 1 than a year ago, and continued heavy holdings of butter are indicated in the Government November cold storage report.

All kinds of frozen poultry, except turkeys, are in smaller supply, including broilers, fryers, roasters, fowls, and miscellaneous poultry. Stocks of turkeys are reported at 4,131,000 pounds compared with 1,773,000 pounds last year, and a five-year November 1 average of 3,361,000 pounds.



IOWA COOPERATIVE LIVE STOCK  
SHIPPERS DISCUSS PROBLEMS.

A series of twenty-five district conferences is being held in Iowa this fall to discuss the problems of building a bigger and better shipping service for Iowa livestock shippers, under the auspices of the Iowa Cooperative Livestock Shippers in cooperation with the Iowa Extension Service.

Subjects for discussion include increasing the volume of cooperative livestock shipments, home pro-rating, county and state association problems, and traffic conditions.

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VIRGINIA MARKETS DIVISION OFFERS  
AUDITING SERVICE TO COOPERATIVES.

Auditing service for agricultural organizations is being offered at cost by the Division of Markets, Virginia Department of Agriculture. Accountants familiar with the peculiarities of cooperative agricultural organizations of approved firms are used in making the audits.

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NEW YORK MARKETING SCHOOL  
TO TEACH NEW EGG GRADES.

The new egg-grading laws which went into effect in New York State, September 12, will be discussed and their requirements will be taught at the second annual poultry and egg marketing school at Cornell University, November 28 to December 3.

According to the poultry department at Cornell, the new grades did away with the cold storage law as it applied to eggs and requires that all eggs be sold according to quality. These grades at present apply only to eggs other than those of a poultryman's own production that are sold to retailers or consumers. It is expected that in time the effect of the grades will work back through the wholesale channels to producers.

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LIVE STOCK MARKETING SCHOOLS  
TO BE HELD AT MARKETS.

Short courses in livestock marketing will be conducted at the St. Louis market November 15 and 16, and at the Kansas City market November 17 and 18 under the auspices of the Missouri College of Agriculture. A well-balanced program has been worked out in which the various agencies engaged in handling livestock, from the time it leaves the producer until it reaches the packer, will cooperate in making the courses practical.

The courses will include studies of livestock classes and grades, market prices, market practices, market services and functions, packing house methods, grades of dressed meat, and similar work.

### IOWA CONCLUDES ECONOMIC STUDY OF DAIRY FARMS.

Not all Iowa dairyman make money, and some lose money, declares the Agricultural Economics Department, Iowa State College, following a study of the organization and management of 239 dairy farms in Fayette and Bremer Counties.

The 15 best farms of the 239 averaged \$1,338 profit in 1923 after paying all operating expenses, which included wages for the farmer and his family, 7 per cent interest on working capital, and 5 per cent interest on the investment in land.

The 15 poorest farms had an average loss the same year of \$1,323. The average profit of all the farms was \$43. The results of the study have been published in Bulletin No. 243, just issued by the Iowa State College.

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### MARKETING MEETING AT AMES DURING EXTENSION CONFERENCE.

Vital problems dealing with the future of cooperative marketing in Iowa were discussed in a series of group meetings held recently by various trade associations and farm organizations during the annual extension service conference at Ames.

Resolutions passed at the meetings included the development of more effective marketing of major farm products by commodity organization, improvement of quality and better standardization and grading, and matters dealing with marketing education and extension.

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### IDAHO STUDIES PROGRESS OF DAIRY INDUSTRY IN STATE.

A study of the dairy situation in Idaho, especially with regard to the recent rapid development of the industry in Southeastern Idaho, has just been concluded by the University of Idaho, and the results published in Experiment Station Bulletin 150, entitled "The Dairy Situation in Idaho." This is the second of a series of reports on the State agricultural economic survey conducted last year.

Starting under a handicap, the dairy industry in Southeastern Idaho has come to the front rapidly. Short pasture seasons, limited markets, and climatic conditions retarded development at first. Progress has been more qualitative than quantitative. Number of cows milked has increased little within the last ten years, but production per cow increased 28.7 per cent from 1919 to 1924, and 44.7 per cent from 1909 to 1924.

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U.S. STANDARDS FOR CITRUS FRUITS (FLORIDA) 1927 have just been issued by the Bureau of Agricultural Economics, Washington, D. C.

JOINT ACTION NEEDED TO SOLVE  
FARM PROBLEMS, SAYS TENNY.

A mass attack on farm problems by all agencies concerned with production and marketing, and including private, state and Federal economic research organizations is necessary to arrive at and maintain a prosperous agriculture, declared Lloyd S. Tenny, chief, Bureau of Agricultural Economics, addressing the annual convention of California Fruit Growers and Farmers, Stockton, California, November 16.

"With farm production becoming concentrated in great areas and taking on the nature of manufacturing industries," Mr. Tenny said, "there is ever increasing need for a concert of action based upon economic laws. Mere notions or ideas will not get us far in these present day problems. Research is essential. The point of view of the consumer must be considered. Competition must be analyzed and evaluated. The course ahead for each commodity, both in production and distribution, must be plotted as completely as possible and when once the program and policy has been determined the whole industry must have some kind of entity so that mass action can be secured."

Mr. Tenny declared that the outstanding problems in farm marketing are those brought about by the development of highly specialized production in areas far removed from dense centers of consumers in other sections of the country. Two of these problems which stand out prominently, he said, are better adjustment of production to changes in world competition and demand, and improvement in methods of marketing with a view to eliminating waste and effecting the most economic distribution of farm products.

"The development of new areas of production throughout the world," Mr. Tenny declared, "improved transportation by land and sea, changing competition in world markets, and changes in the buying power and consuming habits of consumers the world over, all tend to make the marketing situation more and more complex. The gap between producer and consumer has widened, and the functions in marketing and the agencies performing them have multiplied in number and complexity. This growing complexity of agricultural production and marketing has created demand for more State and Federal agencies to serve the business of farming."

Five major lines of work which Mr. Tenny declared are being performed by the Bureau of Agricultural Economics in helping solve agricultural problems include the collection and dissemination of facts of production, facts relating to marketing, development of standards for farm products, administration of helpful regulatory measures, and improvement in farm management and marketing practices based upon economic research.

"Research," he declared, "is the foundation upon which is built the service and regulatory work of the bureau. Much of the bureau's research work is directed at current problems confronting agriculture, although considerable study also is devoted to underlying forces and relationships, public policies and the like which either directly or indirectly affect the well-being of farmers."



SHIPMENT OF GRAPES

In the case of *Crinella v. Northwestern Pac. R. Co.* (259 Pac. 774) *Crinella* brought action against the Railroad Company for damages for negligence in transporting two carloads of grapes from Fulton, California, to Buhl, Minnesota. The negligence alleged was unusual delay and failure properly to ice the cars in transit, resulting in decay of the shipment. The trial resulted in verdicts for plaintiff covering both cars. Upon appeal by the Railroad Company, the judgment was affirmed.

Some points relating to the obligations of the carrier and the consignee in connection with the handling of perishable products are discussed in the opinion of the court:

1. Upon the arrival at destination of the second car of grapes, the consignee rejected it. At the trial he gave two reasons for this. First, that he was not permitted to inspect the contents of the car by the local agent of the carrier; second, because he believed from his experience with the first carload of grapes received, and on account of the long delay in the arrival of this second carload, that the shipment would be too much deteriorated for use.

2. Appellant offered an instruction to the effect that if the consignee refused to accept the shipment, the damages resulting thereafter could not be charged to the carrier. The court gave this instruction, but modified it by adding the clause "without lawful reason." following the expression "if the consignee refused to accept delivery."

3. That goods are damaged in part does not justify the consignee in refusing to accept delivery. It is his duty to accept delivery in order to minimize the damage. Where a shipment, however, is damaged to the extent that it is practically valueless having regard to the expense of acceptance and use and to the purpose for which the shipment was intended, the consignee may reject. Where the shipment offered for delivery is apparently in a damaged condition but from outward appearances it is impossible to tell the extent of the damage, then the consignee is entitled to inspect the goods before determining whether he will accept or reject them.

4. We hold, therefore, that the liability of the defendant continued to be that of a common carrier after the arrival of the shipment at destination, and until the consignee was permitted to inspect the same. The circumstances surrounding the arrival of the shipment were of a character to indicate that the grapes were damaged, and the consignee was entitled to inspect before determining whether he should accept or reject. If we are correct in this conclusion, it is not necessary to determine the precise value of the shipment on the date of arrival and determine again the same thing as of the date when the consignee formally inspected and formally rejected the shipment. It is sufficient that the evidence shows the grapes were apparently spoiled upon arrival at destination, entitling the consignee to inspect.

-- H. F. Fitts

# STATE AND FEDERAL MARKETING ACTIVITIES AND OTHER ECONOMIC WORK

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ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

Nov. 23, 1927

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ANNUAL MEETING, NOVEMBER 28-30  
NATIONAL ASSOCIATION OF MARKETING OFFICIALS  
CONGRESS HOTEL, CHICAGO

## VIRGINIA MARKETS DIVISION ISSUES ANNUAL REPORT.

A 13-page mimeograph report just issued by J. H. Meek, Director, Virginia Division of Markets, covers in detail the activities of the division for the year ended June 30, 1927.

The activities of the division are classified in the report as follows: Market Information, Standardization, Inspection, Promoting Cooperative Marketing, Auditing Books of Organizations, Market News, For Sale and Exchange Service, Transportation, Enforcement of Weights and Measures Law, Enforcement of Apple Grading and Marketing Law.

Much of the details of these activities have appeared from time to time in MARKETING ACTIVITIES due to Mr. Meek's cooperation in furnishing the Editor with news items, and to the maintenance of newspaper information service by the division. The complete mimeograph report will be printed in the report for the Virginia Department of Agriculture in the near future.

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## CALIFORNIA BUTTER BRAND IS SUGGESTED FOR USE.

"To encourage creameries to raise their standards and secure better markets as a result of efforts along these lines, it has been suggested that a California brand be adopted which creameries would be permitted to use after they had attained a certain degree of perfection," says Fred H. Abbot of the Dairy Industry Division, University of California, summarizing the discussions contained in Standardization and Improvement of California Butter, just published as Bulletin 443 of the College of Agriculture.

"This brand would give the butter a distinction on the market. To use it would be an asset in continuing and increasing dairy production in California, where land values are relatively higher than in surrounding States, inasmuch as these creameries should then be able to pay the farmers more for their cream."

D. O. C. Stine,  
Bureau of Agr'l Economics,  
Dept. of Agriculture,  
Washington, D. C.  
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ALABAMA SAYS FARMERS ARE  
PROSPEROUS THIS YEAR.

Thanksgiving this year has found Alabama farmers with more money in their pockets and in the banks, more debts paid, and with a normal amount of food and feed in their pantries, smokehouses, potato bins, corn cribs, and barns than at the same time last year, according to a statement issued by F. W. Gist, Alabama agricultural statistician, and J. D. Pope, farm economist, Alabama Extension Service.

The price of Alabama products in the aggregate is 20 per cent higher than that of a year ago, according to the report, and the average price of what farmers have to buy is down 8 per cent. In addition to being in better financial position, the report declares that the outlook for 1928 is "such as to inspire confidence."

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IOWA FARMERS PLAN TO  
KEEP MANY BROOD SOWS.

Iowa farmers apparently intend at the present time to keep about the same number, or possibly a few more, brood sows for farrow next spring than they kept a year ago, if those who have been attending the brood sow selection meetings in various parts of the state are fairly representative, declare Rex Beresford, C. W. McDonald and Roy W. Snyder, animal husbandry extension men at Iowa State College.

Brood sow meetings were held in Polk, Dallas, Pottawattamie, Sioux, Sac, Winnebago, Delaware, Cass and Marshall Counties. The intended increase in some counties is expected to run from 7 to 10 per cent over last year.

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VIRGINIA WARNS TURKEY SHIPPERS  
AGAINST UNRELIABLE DEALERS.

Turkey shippers are being urged by the Virginia State Division of Markets to investigate the standing of firms to whom they ship during the rush of the holiday trade. It is a common practice of unreliable dealers, especially in northern markets, to advertise unusual service widely just before the rush shipment of turkeys and chickens for the holidays, the division says.

A number of shippers have secured payment through the division after being unable to make collections, but this is unnecessary if the proper precautions are used in making shipments. Lists of reputable dealers are distributed among shippers by the division, and shippers are being urged also to consult their bankers and reputable rating firms before making shipments.

The commission merchants' law enforced by the Virginia State Department of Agriculture protects shippers against loss through shipments to those in Virginia bonded under the commission merchants' law.



NEW JERSEY AGRICULTURAL DEPARTMENT  
SEEKS TO IMPROVE SERVICE.

A conference of nearly one hundred representatives of all the agricultural organizations of New Jersey met at Trenton last week to discuss the activities of the State Department of Agriculture and work out means of securing greater effectiveness of its work. The conference was called by Secretary William B. Duryee. Hon. Joseph S. Frelinghuysen, President of the State Board of Agriculture, presided.

Declaring that changing conditions made necessary the fitting of the department's work to new requirements, Secretary Duryee told the delegates that recent developments in bureau activities would be presented in detail by the bureau chiefs of the department, and urged a full discussion to enable the department to obtain a better view of the needs of the farmers represented in these organizations. Following this, bureau reports, illustrated graphically, were made by Dr. J. H. McNeil, chief of the Bureau of Animal Industry, Harry B. Weiss, chief of the Bureau of Statistics and Inspection, and A. E. Mercker, chief of the Bureau of Markets.

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MONTANA TO SURVEY NEEDS  
IN SEED POTATO INDUSTRY.

A meeting of the Montana Potato Improvement Association is to be held at Bozeman, Montana, January 4 and 5, to discuss problems in developing new markets and making adjustments inspection methods to keep pace with the rapid growth of the seed potato industry in the state.

Development of the industry to its present condition is attributed to good cultural methods, careful inspection and well planned cooperative tests. The program of the meeting has been arranged by the Horticultural Department at Montana State College.

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NEW JERSEY ISSUES RESULTS  
OF POTATO INDUSTRY STUDY.

Despite the importance of potato growing in New Jersey, the State does not produce enough for her own needs, the New Jersey Experiment Station has announced in a bulletin just issued, entitled "The Potato Industry in New Jersey."

The New Jersey potato industry has been completely reorganized by the growers since 1923 by the choice of better varieties, elimination of inferior land, use of certified seed, carefully selected fertilizers, and the use of chemical sprays. These changes, according to the bulletin, pulled the potato industry out of the depths and brought confidence to the growers.

MISSOURI COMPLETES SECOND  
YEAR OF FEEDING TESTS.

That finish measures the profits in fat-beef animals is strikingly shown by the second year of feeding tests just completed at the Missouri College of Agriculture. Prices received on the St. Louis market ranged from \$14.75 to \$17 per 100 pounds with the greatest net returns above feeding, shipment and marketing costs on the more highly-priced animals.

Steer calves, full-fed grain on grass during the entire summer made the best net returns above feed, shipment and marketing costs, ranging from \$49.50 to \$50.45 per head. Those that were pastured without grain for 56 days and then full-fed on grass for 112 days averaged \$32.82 for one lot that received only alfalfa hay and corn silage during the previous winter.

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MINNESOTA LISTS MANY NEW  
BULLETINS ISSUED RECENTLY.

Bulletins recently issued by the Minnesota Extension Division include "Co-operative Egg and Poultry Marketing Units in Minnesota", "Retail Margins in Marketing Home-Grown Fruits and Vegetables", "Efficient Operation of Local Elevators", "How Minnesota Farm Family Incomes Are Spent," and "Hay Making in Minnesota."

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NORTH DAKOTA ANNOUNCES DATE  
OF ANNUAL FARMERS' WEEK.

North Dakota Farmers' Week has been set for January 16-21, 1928, according to an announcement by Dr. John Lee Coulter, president of the North Dakota Agricultural College. The celebration will be held at the Agricultural College, Fargo.

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MISSOURI TO GIVE COURSE  
IN DAIRY MANUFACTURES.

A special eight-week course in dairy manufactures will be offered by the Missouri College of Agriculture during the second term of the winter short course, beginning January 2, 1928, according to W. H. E. Reid of the University of Missouri.

Training in butter making and cheese making, ice cream manufacture and the handling of market milk will be included in the course that is open to both men and women. The course is planned to help meet the demand for trained men to accept positions in creameries, ice cream plants, cheese factories, market milk plants and large farm dairy establishments.

COMMISSIONER RESTRAINED FROM ADMINISTERING TUBERCULIN TEST.

In the case of *Ryder vs. Pyrke* (224, N. Y. Supp. -5-289), Supreme Court of Onondago County, N. Y., decided on September 30, 1927, commissioner Pyrke of the Department of Farms and Markets of New York was restrained from entering the premises of Ryder for the purpose of examining his cattle and administering the tuberculin test.

Plaintiff resides on a farm in Lafayette, Onondago County, N. Y. and maintains a herd of bovine animals for the purpose of producing milk in fluid form for public consumption. His cattle had been examined by veterinarians of the Department of Health of the City of Syracuse and certified to be in good physical condition. Plaintiff alleges that agents of defendant visited his farm and demanded access to his cattle so that they might be given the tuberculin test; that he refused such permission and thereupon was threatened by such agents that they would enter his stables by force and administer the test. Plaintiff makes further allegations as to the detrimental effect such threatened action on their part will bring; that defendant is not inspired by good faith, but solely for the purpose of ruining plaintiff's herd by slaughtering such as may meet the defendant's fancy, etc. Defendant admits his intention to apply the tuberculin test, but denies any ill feeling toward plaintiff and that he intends to proceed strictly according to the laws of New York. On application of plaintiff an order was granted restraining defendant pending the action from forcibly entering his premises. Defendant moved to vacate such temporary restraining order upon the ground that an equitable action will not lie to restrain a state office from performing the duties imposed by law, unless the act under which he is proceeding is declared unconstitutional. This particular law had been declared constitutional - see *People vs. Teuscher*, 321, N.Y. Supp. 20 - which case was reported in "Marketing Activities" for June 8, 1927.

The Court was of the opinion that under the law the commissioner had the right to make a physical examination of dairy cows whose milk was marketed in fluid form or manufactured into butter, cheese or other food for human consumption and that under the amendment of March, 1927 the commissioner was authorized to make the tuberculin test. Defendant moved for judgment on the pleadings, but in his answer stated in part:

"That the acts of the defendant committed or threatened against this plaintiff are in compliance with the directions of the laws of the state of New York and in furtherance of the official duties of the defendant as commissioner of agriculture and markets and of his sworn obligation to carry out and uphold the said laws of the state of New York."

In concluding its opinion the court stated:

"Having moved for judgment on the pleadings, the defendant finds himself in the anomalous position of admitting the above allegations of the complaint to be true, notwithstanding the fact that he has denied their truth in his answer. Hence, among other things, the defendant admits to be true that he intends to destroy the plaintiff's dairy, regardless of whether or not it is afflicted with tuberculosis.



"In view of the foregoing, I think the complaint states a cause of action which is maintainable in equity. Biddles, Inc., v. Enright, 239 N. Y. 354, 368, 146 N. E. 626, 39 A. L. R. 766. The motion for judgment for the defendant on the pleadings is therefore denied.

"In view of the fact that the complaint charges defendant intends, unless restrained, to commit an illegal act against him, and that, if such act is permitted to be done before the trial of this action, plaintiff will suffer irreparable injury for which he has no adequate remedy at law, I think the restraining order heretofore granted herein should be continued, pending the trial of this action, which can be had in December, 1927."

H. F. Fitts.

#### RECENT PUBLICATIONS.

##### By the Department of Agriculture.

"Marketing Colorado and Nebraska Potatoes, Summary of 1926-27 Season," a mimeograph report issued by the United States Bureau of Agricultural Economics.

"Marketing Western New York Onions, Summary of 1926-27 Season," a mimeograph report issued by the United States Bureau of Agricultural Economics.

"Directory of Teachers Giving Courses in Rural Sociology and Rural Life," a mimeograph report issued by the United States Bureau of Agricultural Economics.

"A Study of Farmer Elevator Operation in the Spring Wheat Area," a report issued by the United States Bureau of Agricultural Economics. Parts I and II.

"Oregon - A Preliminary List of the Sources of Agricultural and Related Statistics of the State", a report issued by the United States Bureau of Agricultural Economics.

##### By State Experiment Stations.

"Sweet Clover - Experiments in Pasturing," Bulletin 211, issued by the North Dakota Experiment Station, Fargo, North Dakota.

"Corn for North Dakota", Bulletin 207, issued by the North Dakota Experiment Station, Fargo, North Dakota.

"Spring Wheat Varieties for North Dakota," Bulletin 209, issued by the North Dakota Experiment Station, Fargo, North Dakota.

"The Poultry Disease Program of the Third World's Poultry Congress," issued by the New Jersey Experiment Station, New Brunswick, N.J.

# MARKETING ACTIVITIES

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AGRICULTURAL ECONOMICS

### NINTH ANNUAL MEETING OF THE NATIONAL ASSOCIATION OF MARKETING OFFICIALS REVIEWS MARKET PROGRESS OF YEAR.

(The annual convention of the Association is in session as this issue goes to press, and the following are excerpts from some of the addresses and committee reports. A more complete report of the meeting will be presented in later issues.)

The first session was devoted to a discussion of agricultural cooperative organizations and chief interest centered in the new clearing house movements. The efforts of California fruit growers in this direction are of particular interest and the following excerpts from an address presents three very interesting examples.

#### The Clearing House in Operation.

Unifying the Commodity Industry - Three California Examples, by Wells A. Sherman, chief, Division of Markets, California Department of Agriculture and chief marketing specialist, U.S. Bureau of Agricultural Economics.

"The startling and significant question which we as official workers in the field of marketing should ask ourselves is this: Have we suddenly arrived at a point in the evolution of this industry where the major emphasis must be shifted from the effort to organize producer groups into the larger field of organizing industry groups?"

"We need not regret any sound and permanent work which has been done in the organization of growers and producers for collective purchasing or collective selling, but we must recognize the fact that with very few exceptions each of these organized groups is today simply one marketing agency among several, all of which are competitors for the privilege of handling the farmer's product.

"The new concept is that of an entire industry unified in the effort to market its product to the best advantage of all, which means first, chiefly and inevitably to the advantage of the producer; whereas the concept of most organizers in the past has been that of a farmer group steadily signing up more and more tonnage, with the hope of acquiring in the end a virtual monopoly of the product, with the inevitable elimination of competition.

"The new concept recognizes the fact that in most industries the grower cooperative has not been able to approach a monopoly; in fact, in some commodities we have two or more cooperatives operating in the same territory who have not been able to get together. The thing that is now proposed is that

this competition be limited and regulated in such a way that it shall not result in needlessly low prices for the producer. Every legitimate field of service remains open to the grower cooperative; only the privilege of destructive warfare is denied under the new regime which seems to be coming in. Internal competition for the privilege of marketing the grower's product and rendering him all sorts of related services can and should continue, but the industry must present a united front to the outside world.

"I have been asked to discuss three California examples. Let us admit frankly that there is not yet one single example which can be cited as a perfect model for others to follow, nor as a perfected illustration of the best that can be done in its own industry. Probably the work of the California Gravenstein Apple Growers, a new central organization composed of growers controlling 96% of the Gravenstein apples in Northern California with its clearing house, comes the nearest to an ideal organization of its own industry. The California Vineyardists Association has not gone nearly so far in its control of grape marketing as have these apple growers; while our third California example, the Canning Cling Peach Industry, will be cited not as a group which has as yet accomplished anything permanent in this field, but as a group in which an earnest movement is on foot to bring about a better coordination of the whole industry.

"In the words of E. C. Merritt, President of the Apple Growers Association the story is as follows: "In 1926 there were 13 marketing agencies in the field and there still are three Co-operative and eight Commercial shippers engaged in the distribution of Gravensteins. Returns to growers for several seasons, barring the short crop year of 1925, were far from satisfactory and while there was a difference in prices paid by the various shippers, yet the highest returns made were close to the cost of production and below what it would seem were justified by crop and other conditions both here and in the East. With so many shippers in the field, selling competition instead of being helpful became destructive. Of buying competition there was none. The idea gained ground that lack of control or at least lack of controlled selling effort was at least partially responsible for their troubles.

"The Clearing House idea was being advocated in other parts of the State at this time to control the distribution of grapes and tree fruits and local shippers advocated the formation of a Clearing House to be composed of all Gravenstein shippers as a practical solution of the difficulty. After many meetings and much discussion, as a compromise measure, a new growers' organization was formed including a Clearing House provision with all shippers eligible for membership under certain conditions.

"Growers are signed for a period of 15 years with privilege of withdrawal at stated annual intervals after two years. Separate growers'



units are formed according to the selling agency through which they wish to market, that is to say, the members of each Cooperative form a separate unit and those growers wishing to deliver and market through the John Brown Fruit Co., form another unit and so on. Each unit elects a director of the Central organization. These directors are given very broad powers, but it is provided that the total vote of directors representing commercial units shall at no time exceed the total vote of directors representing cooperative units.

"The Clearing House is made a part of the general scheme and is composed of representatives of the different selling agencies together with an equal number of growers appointed by the Directors of the Central body. The selling agents are also signed up for 15 years with privilege of withdrawal after two years and can handle only fruit of members. Growers may withdraw from one unit and join another if they so desire, but they can market their fruit only through a Clearing House member.

"Now as to actual operation of the Clearing House. The two outstanding features are distribution and price regulation. Through the courtesy of the Railroad Companies, we first had a statement prepared showing the final destination of Gravensteins shipped during the past 5 years, which enabled us to determine the approximate capacity of all previously developed markets. Thus we were able to decide in advance the maximum number of cars allowed to be shipped to any one market. No restrictions were placed on the number of cars sold f.o.b. to any market, but after that market's allotment had been filled, no shipper was permitted to make additional shipments on consignment or for delivered sale. For example: If Dallas had an estimated capacity of 15 cars and one or more shippers made f.o.b. sales totaling 15 cars to that city, Dallas was finished for the season unless some dealer there was willing to take the chance of buying more. Buyers knew they were protected and that they would not wake up some morning and find several cars of Gravensteins on the track for which brokers were soliciting offers. As a consequence, buyers in most instances made a fair profit.

"Shippers were allowed to roll for auction or delivered sale to any market in proportion to their estimated tonnage as compared with the total crop, that is to say, if a shipper with one-fifth of the total tonnage and Boston was allotted 50 cars, that shipper was permitted to ship 10 cars to Boston if he so desired. If he did not care to exercise the privilege it could be transferred to some other shipper, but in no case would Boston receive over 50 cars unless actually purchased either f.o.b. or in transit.

"Each shipper makes a daily confidential report to the Secretary

of cars shipped, giving car number, destination, grade and whether sold or rolled. These reports are combined and tabulated by the secretary daily and reported to the Clearing House, so that each member knows the total number of cars shipped, how many to each market and whether sold or consigned.

"Now as to another important provision, that is, an established minimum f.o.b. price. The contract provides as follows:

'Minimum f.o.b. prices shall be set from time to time by authority of the directors of Central, after conferring with the Clearing House Board and taking into consideration the recommendations of Clearing House members representing two-thirds of the tonnage, and no f.o.b. sales shall be made by any Unit at a lower price than this minimum. The Board of Directors may make such differential as it may deem proper between sales made for cash paid at or before time of shipment as against all other types of sale.'

"Now I am familiar with most of the arguments against price fixing, and in the past have used some of them myself. The tendency of growers to fix a price higher than warranted by conditions; the lessening of efficiency of sales managers; stifling their initiative and preventing the free exercise of marketing judgment; the discouragement of speculative buying which is of benefit in moving perishables. The fact remains, however, that in this particular instance, with us this year, it proved a success. They have accordingly given their directors power to allocate fruit to new markets, divert to by-products or suspend shipments entirely, as the situation seems to warrant.

"The Clearing House met to name prices on the 20th day of June, and after careful consideration of crop conditions here and in the East, the quantity of storage apples, the reports and ideas of dealers both domestic and foreign, a minimum price per box was fixed at \$2.25 for fancy 150s and larger and \$2.00 for fancy 163s and smaller, with C grade at .25 per box less, regular terms, draft against bill of lading subject to inspection at destination. A discount of 10¢ per box was permitted for acceptance and payment at shipping point. It was estimated that these prices, if maintained, would net the grower about 75¢ per box more than he had received in 1926.

"After the Clearing House program was explained to buyers, and assurances were given that prices would be maintained or at least guaranteed against decline until time of shipment and that their markets would not be overcrowded and that they would not have to compete with consigned goods in the hands of their competitors, orders commenced coming in from

most of the f.o.b. markets throughout the middle West and Southern States until in much of that territory approximate seasonal requirements had been booked before the crop started to move. During this period practically no sales were made in the large or auction markets of the country. Speculators were not interested at our figures. It was freely predicted that prices would be lower when the crop began to move, and buyers in these cities were convinced that they could buy through auction for less money later on. No change in the minimum was made by the Directors of Central, but as the season progressed, shippers found themselves pretty well sold out and advanced their prices, and if unable to sell at the advance, rolled to auction. The auction markets, without exception, averaged better than minimum quotations for both middle and large sizes. Large sizes, in some cases, brought over \$4.00 per box. About 40 per cent of our crop was sold through auction in 1926. This year probably 20 per cent went through the same channel. This is not an argument against selling through auction, it merely shows the advisability of regulating the supply. No one questions the success of our organization this year, or expresses doubt as to the future. We realize, of course, that we operated this season under extremely favorable conditions, with a less than average crop of our own, a shortage of competing fruits and the purchasing power of the consumer in most sections at a high level. The real test will come when conditions are the reverse.

"The effect on the industry as a whole has been most beneficial. Relations between competing shippers have been improved. Growers not only are satisfied and confident of the future, but are becoming better acquainted with their problems and more accustomed and more willing in working together for the common good.

"We believe, over in our part of the State, that the California Gravenstein Apple Growers has made an important contribution to cooperative marketing."

#### CALIFORNIA VINEYARDISTS ASSOCIATION

##### CLEARING HOUSE

The attempt to unify the California fresh grape industry has been widely advertised because of the tremendous amount of money invested in the vineyards in California and the spectacular movement of such an enormous quantity of fresh fruit across the continent annually and within the space of a few weeks. There were 322,000 acres of grapes in California in 1919, and 674 thousand in 1927. In other words, the acreage has more than doubled since the war, and there are now being shipped in carloads twice as many juice grapes as were ever consumed by California wineries. It is estimated that in 1919 there were perhaps ten thousand growers, while now there are somewhere between twenty and forty thousand. In 1919 there were believed to



have been about fifty carlot shippers; there are now 604.

"The California Vineyardists Association is a growers' organization which any vineyardist can join without regard to his other affiliations. The cost of membership is nominal. A board of directors represents the growers territorially. This board authorized and formed a clearing-house consisting of all shippers who sign its contract under the chairmanship of its managing director. It is the business of the clearing-house to accumulate and place before its members all of the information concerning the grape movement which can aid them in a wise disposition of their product. There has been no attempt to apportion territory or limit the proportion of his shipments which any distributor may send to any one market, as was done by the Gravenstein Apple Growers. The dominant aims of the clearing-house have been to keep the movement and price situation constantly before the eyes of all its members, and to exercise every influence in its power to regulate and limit the total volume of shipments within any given period.

"At the height of the season, when it appeared certain that the volume of the movement would break prices in the eastern markets to the point where returns would be in the red, the clearing-house succeeded in reducing the total volume of shipments by about 50 per cent for a three-day period. On one or two occasions Sunday loadings were almost suspended.

"The success of these efforts to curtail the volume had an almost instantaneous effect on prices in the eastern market, strengthened the confidence of the trade, and gave them the feeling that the situation in California was under a degree of control never before attained.

"The management of the California Vineyardists Association claims that the fresh grape crop of 1927 must have brought the growers something like five or six million dollars more than it would have brought had there been no clearing-house.

#### THE CANNING CLING PEACH INDUSTRY.

This is a unique situation which could arise in few other states. Cling peaches constitute by far the largest single item in the canning industry of the State. These peaches are large, firm-fleshed, yellow clings good for no other use. Seven years ago the canneries paid the growers \$100. per ton for fresh fruit. Since that time the prices have ranged between \$57 and \$22 per ton, alternating from higher to lower with almost every season.

A part of the production belongs to growers who own or rent co-operative canneries. A part of it is under long time contract with other canners. Some of the large canning corporations also own extensive orchards. The bulk of the crop must, however, be bargained for each year. Of this free tonnage perhaps one-half has been in the California Canning Cling Peach Growers Association, which was organized chiefly for collective bargaining with the California Canners League. Last year, however, a pool was formed of independent growers, whose tonnage was almost as large as

that of the Association, and the Association and pool worked together in their negotiations with the canners.

The latter, however, had a carry-over, and apparently had taken a loss on the 1926 pack. There has been a steady and rapid increase in the peach acreage for several years, and although the crop of 1927 was not considered a full one, it was substantially the same as that for 1926, and the canners were not willing to risk putting up the whole crop except at extremely low prices.

While the growers and canners were in dead-lock, a large part of the Tuscan clings, the earliest of the three canning varieties, were allowed to drop. After this loss had amounted to something more than ten per cent of the entire crop, a bargain was made which provided for still further reduction by the rejection of all No. Two peaches. A sliding scale of prices was agreed upon, beginning with a possible maximum price of \$35 per ton if the pack did not exceed 8 1/2 million cases, running down to below \$20 per ton if the pack exceeded eleven million cases. The actual pack was something over ten million eight hundred thousand cases, and the final price \$22.50 per ton. Meantime, the growers of the later varieties agreed to assess themselves to pay the owners of Tuscan for those which had fallen during the dead-lock at a price equivalent to the final average return of the crop, less the cost of picking.

#### NEW JERSEY REPORT

##### SHOWS FARM IMPROVEMENT

Gradual recovery of the agricultural industry in New Jersey, as shown by a higher price level of farm products, is indicated in the annual report of the New Jersey Department of Agriculture.

"A survey of economic conditions in New Jersey's agriculture shows a gradual but perceptible increase in farm prices as compared with the years of extreme depression following the war," says Secretary William B. Duryee. "The purchasing power of the products of New Jersey agriculture was calculated to be 103 for 1926"

The department's market news service is reported to have kept more than 1,400 farmers in touch with market prices, while seasonal reports on marketing conditions of thirteen different commodities enabled nearly 1,000 growers of fruits and vegetables to market their products intelligently.

Standardization work included the certification of 124,734 birds in 253 poultry flocks; the certification of 611 cars of graded potatoes and peaches, and the certification of 567.75 acres of seed white potatoes, 33 acres of seed sweet potatoes, and 456 acres of seed tomatoes.

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"THE ESTABLISHMENT OF STANDARD GRADES FOR AMERICAN COTTON LINTERS" has been issued as Miscellaneous Publication No. 10-M, by the United States Department of Agriculture.

### WISCONSIN STRESSES NEED FOR FARM ACCOUNTING.

One of the services rendered by the Wisconsin Department of Markets is the work of the accounting and auditing division, declares Commissioner of Markets J. H. Vint in a letter to Wisconsin Cooperative Associations.

"Having been for a number of years manager of a farmers' cooperative association," Commissioner Vint writes, "I knew the value of such a service to a cooperative marketing association. There is no doubt in my mind that with a proper accounting system and periodical audit of the books of cooperative associations, much can be done to make these associations more efficient through a better understanding of handling costs. It will also aid in preventing financial disasters.

"The activities of our accounting division include the working out of uniform accounting systems, the installation of these systems upon request from cooperative associations, annual or periodical examinations or audits of the records, preparation of reports, income tax returns and assistance in the filing of claims for exemption from the payment of the federal income tax.

"That the Wisconsin cooperative associations are fully aware of the importance of this service is shown by the frequent calls made upon our accountants by such organizations. This type of work has grown to such an extent that we are unable to take care of it because of the limitations of our present budget. The Legislature of 1927 recognized the importance of the accounting and auditing work. While refusing to increase our appropriations, it amended the marketing law by authorizing us to make a nominal charge, not to exceed ten dollars per day, for audits and examinations."

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### MARYLAND FRUIT AND VEGETABLE SHIPMENTS SHOW INCREASE.

More than nine thousand carloads of fruits and vegetables found their way from Maryland farms to the leading nearby markets during the nine months ending September 30. Despite uncertainties of the growing season, shipments were well above those for the same period of 1926; the exceptional crop of early potatoes on the Eastern Shore being responsible for the greater part of the increase.

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### HAWAII PROPOSES EGG GRADES ON WEIGHT BASIS.

Chicken eggs produced in the Hawaiian Islands and offered for sale must be clean, fresh and sound, and shall be graded according to the following standards of weight, according to proposed grade standards by the University of Hawaii. Extras, 25 ounces and over, per dozen; Ranch, 22 ounces and over, per dozen; Pullets, 18 ounces and over, per dozen; Peewees, under 12 ounces, per dozen.



## WAREHOUSING - BAILMENT OR SALE - TAXATION

Kansas Flour Mills Co. v. Board of Commissioners of Harper County et al. (252 Pac. No. 5 - 795.) Supreme Court of Kansas - October 8, 1937.

This is an action to recover taxes paid under protest and involves the distinction between a bailment and a sale. In the trial court judgment was rendered in favor of defendants; plaintiff appeals. Judgment affirmed.

Plaintiff operates a terminal warehouse elevator at Anthony and local elevators at other points. It submitted to the county assessor a statement of personal property owned by it and subject to taxation, but the county assessor raised the valuation of such property to the extent of \$9,450 for "the value of the average amount of wheat which plaintiff had on hand in its elevator at Anthony." It was the practice to place wheat in local elevators operated by plaintiff. Local warehouse receipts were issued in compliance with the law, but they were not delivered to persons depositing the wheat. In their place a terminal warehouse receipt, signed by plaintiff, was delivered. This receipt contained the following:

"It is expressly agreed and understood that the Kansas Flour Mills Company may deliver any grade of merchantable wheat on the contract, providing that the Kansas Flour Mills Company pays to \_\_\_\_\_ the market difference at Kansas City, Mo., between the grade of wheat covered by this contract and the grade delivered on the date delivery is demanded."

The question to be determined is "Who owned the wheat" and that depended upon whether the transactions by which the wheat had been placed in the elevator constituted sales or bailments. If the wheat had been sold to the plaintiff, it should pay the taxes, but if the transactions were bailments, it should not be required to do so. The Kansas law concerning the issuance of warehouse receipts allows warehousemen to mingle in common bins grain, seed, etc., or any product of the same grade and issue certificates therefor and ship grain from said bins provided a sufficient quantity of such grain shall be kept in the bins to satisfy all outstanding certificates. The warehouse receipts delivered to the persons depositing wheat in the elevator differed from the certificate required to be issued under the law in this, that the receipts issued provided that wheat of a different grade might be delivered, while the law contemplates that wheat of the same grade should be delivered. As to the distinction between a sale and a bailment, the court quoted from several Kansas cases, among them the following:

"Where personal property is delivered by the owner to another for use and the identical thing delivered is to be returned, the transaction is a bailment and there is no transfer of title; but if it is stipulated that the one to whom it is delivered may return another thing of the same kind, or an equivalent in value, or otherwise, it will ordinarily constitute a sale and affect a change of title."

"When the grain is placed in an elevator but not specifically sold at the time of its deposit therein, the depositor retaining the right to elect to demand the return of other grain of like grade, the transaction constitutes a bailment."

In the present case there was not retained the right to elect to demand the return of the grain deposited or the delivery of other grain of like grade. The plaintiff had the right to return any merchantable wheat and pay the difference in value. Therefore, the possession of the wheat by it was not that of a bailee. It was the owner of the wheat and the wheat was properly assessed as property of the plaintiff, who must pay the tax thereon.

- H. W. Pitts

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#### GEORGIA ESTABLISHES ECONOMICS AND MARKETING DIVISION.

Creation of a division in agricultural economics and marketing, effective January 1, 1933, by the Georgia State College of Agriculture, has been announced by Dr. Andrew M. Soule, President.

It is planned to expand the teaching work in both agricultural economics and farm marketing with the beginning of the session of 1933-34; to add two research workers, one of whom has already been employed to work on the much needed problem of marketing peaches, and to furnish to the county agents and organized farmers the assistance of two specialists in marketing.

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#### JARDINE URGES FARMERS TO COOPERATE IN FINAL CROP REPORTS.

The cooperation of farmers in furnishing information to be used in preparing the final crop reports for the year is urged by Secretary Jardine of the United States Department of Agriculture. The department is mailing questionnaires to 500,000 farmers over the United States for this purpose. The reports to be issued include those relating to the acreage of winter wheat and rice for next year's harvest, prices paid to farmers for farm products, wages of farm labor, and the annual summary of acreage, production and farm value of cotton, corn, wheat and other crops.

Secretary Jardine declared that farmers cooperating in this work render indispensable service in giving reports which the law requires him to issue, and provide themselves with information necessary to the proper conduct of their business.

## MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

Dec. 7, 1927

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ANNUAL MEETING, NOVEMBER 28-30  
NATIONAL ASSOCIATION OF MARKETING OFFICIALS  
CONGRESS HOTEL, CHICAGO

The following officers were elected at the annual meeting of the National Association of Marketing Officials, to hold office during the year 1928.

President - H. Deane Phillips, New York  
 Vice Pres. - J. Austen Hunter, Texas  
 Sec'y-Treas. - W. T. Derickson, Delaware

Members of the Executive Committee:

Lloyd S. Tenny, Washington, D. C.  
 L. M. Rhodes, Florida.

Committee Chairmen:

Sales and Consignments - Wells A. Sherman, California.  
 Cooperative Organization - Robin Hood, Tennessee.  
 Standardization - G. V. Day, Illinois.  
 Market Reporting - J. H. Vint, Wisconsin.  
 Transportation - W. E. Paulson, Indiana.  
 Crop and Livestock Estimates - G. E. Prince, South Carolina.  
 Legislation - F. W. Waugh, Massachusetts.  
 City Markets - A. E. Mercker, New Jersey.

Address by President L. M. Rhodes.

Emphasizing the magnitude of the agricultural marketing problem, President Rhodes declared that rapid strides have been made in the three outstanding features of marketing, namely, specialization, standardization and cooperation, but that the industry is still confronted with many problems.

"We are fortunate," he declared, "that our membership has grown until it represents many of the major activities in the broad field of marketing. The practical, educational and scientific features are represented, as well as State and Federal Departments composed of marketing leaders of the nation, assembling the keenest thought of America. We may hope for constant progress as the years go by."

Clearing House Systems of Interest.

Following Mr. Sherman's description of clearing house operation in California, noted last week on this page, the origin, objectives, achievements and probable destiny of the Eastern Shore Farmers' Association and the Quotation

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Committee were discussed by Dr. Franklin B. Bomberger, Director, Marketing Bureau, Del-Mar-Va Eastern Shore Association, Salisbury, Md.

Dr. Bomberger declared that the Quotation Committee was of enormous monetary value to the farmers on the Eastern Shore in that despite greatly increased production, the growers received a net return of \$1 per barrel for potatoes over what would have accrued under the old method of marketing.

Quotation Committee - Eastern Shore Farmers' Association.

"Under the laws of the State of Virginia," Dr. Bomberger declared, "there was incorporated an association to be known as the 'Eastern Shore Farmers' Association'. The purposes of the Association as set forth in the Articles of Agreement are as follows:

- "1. To improve the marketing conditions on the Eastern Shore of Virginia.
- "2. To stimulate a normal and healthful demand for our product among the buyers abroad and make intelligent distribution of the farmers' products among all the markets available.
- "3. To get for the farmers the best prices obtainable under marketing conditions existing at the time their product is offered for sale.'

"Any bona fide grower of farm products or the owner of farm lands in the counties of Accomack and Northampton, in the State of Virginia, is eligible to become a member of this Association by agreeing to comply with the requirements of the By-laws and the Articles of Agreement of the Association. All members agree that they will neither patronize nor support any marketing agency or dealer that does not subscribe and conform to the By-laws and the Articles of Agreement of the Association, and any member violating this provision ceases at once to be a member and cannot be reinstated except upon the order of the Board of Managers. Members sign the Articles of Agreement of the Association for a period of one year and each member is entitled to one vote.

"The affairs of the Association are managed by a Board of Managers, fourteen in number, holding office for one year and consisting of two from each of the several magisterial districts of Accomack and Northampton Counties, except the islands district in Accomack County. The managers are elected by the farmers in each magisterial district who are members of the Association. One member of the Board is selected as Chairman and one as Secretary-Treasurer. All of the managers serve without compensation.

"This Board of Managers appoints a Quotation Committee consisting of three members selected as follows: One member is chosen from two nominations submitted by the Eastern Shore of Virginia Produce Exchange, one member from two nominations submitted by the Peninsula Produce Exchange and the third member from two nominations submitted by the independent agencies or dealers on the Eastern Shore of Virginia. If any of the nominations submitted by these organizations are not acceptable to the Board of Managers, the respective organizations shall be requested

to make other nominations. If they fail or refuse to make such nominations, then the Board of Managers shall select the members of the Quotation Committee in such manner as may seem best and most advisable. Each of the members of the Quotation Committee receives a salary of \$5,000 a year and necessary expenses, the cost being paid by the several agencies affiliated with the Eastern Shore Farmers Association in proportion to the amount of business handled by them respectively.

#### Duties of Quotation Committee

"The duties of the Quotation Committee are, first, to issue daily quotations on the sale of Irish and sweet potatoes, taking into consideration the several brands and grades under which such potatoes are marketed; and second, to issue such rules and regulations as shall seem most advisable governing the loading and distribution of said potato crops and to exercise a general supervision over the marketing of said crops on the Eastern Shore of Virginia. In this connection it must be remembered that the Quotation Committee was not expected to indulge in arbitrary price fixing. Information from every source was at its disposal, and its function was to interpret demand and supply conditions, taking into consideration every phase of the daily market situation.

"The various exchanges and dealers who heretofore have marketed the potato crops of the Eastern Shore of Virginia were each required to sign a bond in the amount of \$2,500, payable to the Eastern Shore Farmers' Association. The condition of this bond is that inasmuch as the farmers of the Eastern Shore of Virginia have organized a cooperative organization for the purpose of improving marketing conditions for their crops and have appointed a committee known as the 'Quotation Committee' for the purpose of furnishing to the different marketing agencies on the Eastern Shore the quotations at which Irish and sweet potatoes are to be sold, no selling agency or marketing agency is to sell or offer for sale at lower prices than quotations thus given out by the said committee, except with the knowledge and consent of the said committee. The bond requires each agency to sell the Irish and sweet potato crops at prices based on those given out by the Quotation Committee, to abide by the rules of the Quotation Committee, and to refuse to offer for sale or to sell to any person, firm or corporation that may be declared by the Quotation Committee to be an "unsatisfactory buyer". An unsatisfactory buyer is one which, without sufficient and justifiable cause, has refused to live up to its contract with any of the affiliated dealers or exchanges. In addition to the penalty of \$2,500 against any dealer who should violate the provisions of the bond, a further penalty is provided to the effect that any agency or dealer so violating its agreement shall be refused any information by the Quotation Committee relative to markets or prices, and the fact of its violation shall be published in all the papers on the Eastern Shore of Virginia.

"The Articles of Agreement further provide that a commission of 5 per cent on the gross sales shall be charged by the several marketing agencies selling Irish and sweet potatoes, with a minimum charge of 20 cents for each barrel, which said commission or charge shall include all brokerage or expense incident to the selling of said crops. This included demurrage and term tract storage charged against cars loaded on the tracks at shipping points."

### Enterprise Hampered by Several Factors.

The foregoing are the principal features of the organization plan under which the marketing of the 1927 white potato and sweet potato crops was undertaken. The operation of the plan, however, was hampered by several factors, Dr. Bomberger declared, in that only 30 per cent of the total potato acreage in the Virginia counties was signed up, and none in the Maryland counties of Somerset and Worcester which later furnished a supply of potatoes that greatly complicated the marketing situation; failure to attain a 100 per cent sign-up of dealers and exchanges, and the fact that none of the farmers who signed the association agreement was under any penalty of any sort to market his potatoes through the affiliated agencies and dealers. Another element which increased the pressure upon the newly organized marketing agency, was the totally unexpected proportions of the 1927 potato crop.

Despite these handicaps, "a tremendous crop, more than 50 per cent in excess of an average crop, was marketed under the direction of the Quotation Committee with an average price running through the season of only about 15 cents per barrel less than the average of last year. The total gross returns from the 1927 crop of 22,000 cars was approximately \$4,500,000 greater than were the gross returns from the 1926 crop of 14,000 cars. Undoubtedly, even a better showing would have resulted from the marketing plan, had conditions other than those connected with the size of the crop been more favorable.

### Will Improve 1928 Organization.

"The Board of Managers of the Eastern Shore Farmers' Association have gone to work systematically to improve their plan of organization and to insure its more effective functioning in 1928. Farmers of the potato growing counties of Maryland and Delaware will be included in the organization, as well as those of the Eastern Shore of Virginia, and the farmers will be placed under definite contract to deliver their product to some of the affiliated dealers or exchanges. The Quotation Committee will be given a very much larger degree of authority in making rules and regulations governing the loading and distribution of products marketed under the supervision of the Committee, and confer a definite power of supervision of the methods of marketing and the manner of paying producers. Farmers will be signed up for three years, and continuously thereafter, unless the Association is notified by the producer of his intention to withdraw within a specific period in each year. The Board of Managers has determined that unless farmers representing 85 per cent of the potato acreage have signed the Articles of the Association as amended on or before January 17, 1928, the Quotation Committee will not function. The campaign for signing up the farmers is now definitely under way."



Report of Committee on Crop and Livestock Estimates.

J. Austin Hunter, Chairman.

The report of this Committee discussed the subjects of de-centralization of the Federal crop and livestock estimating service, truck crop reporting service, intentions to plant statements, foreign service, State-Federal Cooperation.

Concluding its report, the Committee directed "attention of the membership of the association to preceding statements of this committee, outlining in detail the operation of the crop and livestock estimating service as it exists at the present time. We suggest concrete action by the association looking to the retention of the Federal truck crop reporting service. And we recommend a serious consideration of some plan to permit a more than nominal participation by the states in the estimates of production and yield of those commodities most heavily produced in their territories."

Report of Committee on Legislation.

Alvin C. Reis, Chairman.

The Committee declared that while very little marketing legislation of moment was enacted by the second session of the Sixty-Ninth Congress, state legislatures were quite prolific during their 1927 sessions, something over eighty laws being enacted which affect the marketing of agricultural products.

The Committee recommended, "revision of the Federal Grain Standards Act to include the protein test as one of the principal grading factors, and Federal inspection at terminal markets to cover such matters as dockage in, for instance, sweet clover.

We recommend specifically that the respective states pass laws authorizing the State Department of Agriculture, or other administrative authority concerned with marketing, to adopt and promulgate such grades and standards for the state as have been established by the United States Department of Agriculture."

Other recommendations of the Committee dealt with legislation by the States to prevent the shipping of immature agricultural products, and a campaign for more thorough-going and comprehensive laws in the several States in reference to the standardization and inspection of food products and farm products.

Report of Committee on Sales and Consignments.

This Committee discussed various factors operating in the sale and transfer of produce from the producer to the consumer, and declared that methods are still crude in many ways as shown by experiences in over-production, glutted markets, low prices, rejections, and cancellations. Some progress in more efficient marketing, however, was attributed to the formation of non-profit associations, development of clearing house plan, efforts of trade associations to maintain higher standards of ethics, and the aid given by public organizations. Growers are given more protection through passage of the Produce Agency Act and efforts of States

in the enforcement of dealers and commission merchants license laws, the Committee said.

Report of Committee on Market Reporting.

B. W. Sherburne, Chairman.

This Committee discussed State and Federal relations in market reporting, radio market reports, and the subject of charging a fee for market reports.

"The cooperative work between the Federal Department and the various States in market reporting is working out to the mutual satisfaction of both parties, and is progressing steadily. No consensus of opinion exists with regard to charging a fee for market reports, those expressing their opinion concerning this topic being about evenly divided on the subject. Radio market reporting has become one of the main arteries of dissemination, one or two States going so far as to give it first place as a means of getting to the farmer, promptly, daily market information."

Report of Committee on Standardization.

G. M. White, Chairman.

The Committee on Standardization recommended that sentiment be developed among producers and shippers in establishing standard grades, and that while a certain amount of law is necessary to make possible the promulgation of grades, it is advisable to keep the compulsory features of these laws in the background. The promotion of tours in consumers markets was suggested as an effective means of popularizing the necessity of uniform grades. Striking examples of where shippers have actually secured increased returns on graded products should be used as the basis for preparing charts, graphs, bulletins, and newspaper publicity. Every precaution should be taken to maintain the quality of shipping point inspection service.

Report of Committee on City Markets.

Harry E. Crouch, Chairman.

This Committee discussed the subjects of municipal markets, privately-owned farmers markets, development of privately-owned terminal markets, and activities in the field of research.

"New developments in city-owned markets have taken place in several cities, namely, New Orleans, Boston, Buffalo, Syracuse, Newburgh, N.Y., and New York City. Reports from members of the Committee indicate that in at least 48 cities there are farmers' markets operating under private ownership. Terminal market building projects carried on by the railroads the past year or so constitute the most striking, and the most far-reaching development in the city market field. Information available indicates that markets of this type were completed during the year 1926 in Chicago, Philadelphia, and New York City. The present year witnesses the public opening of six more of this kind of market. New York and Philadelphia received a new one, Boston was favored with two, one was completed in Detroit, and one in Newark, N.J. A terminal market of this type is also contemplated at Providence, R.I."

### Economics Bureau Establishes New Activities.

Service activities of the United States Bureau of Agricultural Economics, established during the past year, were discussed by C. W. Kitchen, assistant chief of the bureau, in charge of service and regulatory work. These included new uses of market news by clearing houses, the meat stamping project, the new seed verification work, cotton grade and staple estimates, poultry marketing studies, and the Produce Agency Act.

"The market news service," Mr. Kitchen declared, "is really the forerunner of the clearing house movement that is now absorbing so much attention in the fruit and vegetable industry. This movement rests upon the understanding and use of prompt and complete market news, carefully analyzed and interpreted. The function of the Federal Bureau is to collect, summarize, and distribute the information. The adaptation of the information to the immediate and practical marketing problem is the job of the clearing house or of the individual marketing organization."

### Growth of Chain Store System.

The rapid growth of the chain store system of marketing in recent years was discussed by James E. Boyle, Professor of Rural Economy, Cornell University.

"One of the main effects of the chain store movement on distribution," Professor Boyle said, "will be to promote standardization. The better standardized the commodities are, the better they lend themselves to this form of merchandising. Obviously growers of farm produce can deal direct with chain stores only when their commodity is standardized. The chain store systems make for shipping point inspection, and cheapen distribution to a certain extent. Some retailers are eliminated who cannot meet this type of competition. Some wholesalers are eliminated because more and more the chain stores buy direct from original producers."

### Truck Transportation Shows Increase.

The increasing trend in the use of motor truck transportation of farm products was discussed by C. W. Waid, chief, Division Fruit and Vegetable Standardization, Ohio Department of Agriculture.

Summarizing his remarks, Mr. Waid declared there has been a great increase in the use of trucks in New Jersey during the last eight or ten years. Use of trucks in handling potatoes in Michigan is governed largely by the margin of profit which truckers can realize. Practically four-fifths of the fruits and vegetables grown in Ohio reach market without being shipped. It is estimated at approximately 47 per cent of the Ohio potato crop is transported by motor truck. There is a greater increase in the use of trucks in handling perishable crops in the eastern states than many people realize. Probably the most difficult problem caused directly or indirectly as a result of the extensive use of trucks is that of standardization. When growers can market their own products, they are not easily organized for efforts along standardization lines, Mr. Waid said.



Economic Research in Dairy and Poultry Products.

A program of economic research in dairy and poultry products was outlined by F. A. Buechel, Bureau of Agricultural Economics.

"Surveys in each State, blocking out the areas of commercial dairy and poultry production as a basis for efficient farm management and efficient marketing, are greatly needed," Mr. Buechel said. "One of the first steps in a research program in dairy and poultry products consists in broadening the scope and increasing the accuracy of current production statistics. A knowledge of consumer habits and preferences is also necessary."

Clearing House or Market Legislation

H. F. Fitts of the Bureau of Agricultural Economics presented a paper on "A Clearing House on Market Legislation."

Some of the difficulties encountered in procuring information deemed necessary in order to have a requisite background and a body of information with which to deal with market legislative subjects were set forth, as well as the accomplishments of the project in its endeavors to get together adequate files on questions falling within the scope of the project. Reference was made to the file of Federal laws which are available and to the fact that the sessions of the U. S. Congress would be followed and information on bills pending in Congress would be kept where it could be made to serve the purposes of those who wished to use it. Mr. Fitts declared that in order to have complete files of state legislative material on marketing subjects it was necessary to follow closely the action taken by the State legislatures and in this connection he stressed the fact that as there was no uniformity in the times of meeting or the duration of the sessions, it was difficult to adopt any sessions, it was difficult to adopt any specific procedure for procuring the desired material. He indicated also the difficulties which had been met in attempting to collect basic and current material from the state officials and stated that as the marketing activities were scattered in the states and usually were not assigned to one official, the task of getting together complete files was not an easy one.

To remedy present conditions he suggested the designation of a contact man in each state, who would be in a position to supply promptly such facts as might be desired thereby obviating the necessity of writing to various other officials who might not be concerned with the subject matter. He suggested that in requests on the part of the states for laws, rules and regulations or related matters, the inquiries be made direct to the clearing house project. Such a procedure would eliminate any present tendency which might exist of sending out incomplete replies and would serve as a means of keeping correspondents fully informed upon any subjects.

Concluding his statement, Mr. Fitts made a plea for state cooperation and asserted that whether or not the project was to be useful and of service was a matter entirely up to the state men, that if they showed an interest in it through their inquiries and cooperation there seemed to be no doubt that it would grow into a real service organization.

# STATE AND FEDERAL MARKETING ACTIVITIES AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL  
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

Dec. 14, 1927

Vol. 7, No. 50.

ANNUAL MEETING, NOVEMBER 28-30  
NATIONAL ASSOCIATION OF MARKETING OFFICIALS  
CONGRESS HOTEL, CHICAGO.

The following excerpts from papers read at the Annual Meeting of the National Association of Marketing Officials at Chicago complete our report of the meeting.

Cooperative Developments of 1927.

Robin Hood, Chairman.

Room 307 Bieber Bldg.,  
Washington, I. C.  
Mr. Hood declared that although very little statistical information is available to show the growth of the cooperatives in membership or in volume of business in 1927, the information which is available "indicates very satisfactory progress". The report of the Committee on Cooperative Organization discussed the status of the cooperatives within each commodity group, significant legal aspects, trend in marketing methods, and the new spirit in membership marketing contracts.

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"The dairy products associations are handling a larger volume of milk than they handled the preceding year; the gross money value is larger, and the payments to members reflect the improvement. Statistically, the cotton cooperatives have suffered heavily; morally, they have taken great forward strides. The wheat pools appear to have improved their position during 1927. Tobacco cooperation presents a dismal picture. The large scale poultry and egg associations report increases in volume of business. The livestock cooperatives seem to have progress during the year. The big wool cooperatives are growing bigger, but the small local organizations are making no gains. All the large buying cooperatives will show further gains this year.

"Changes of considerable importance are to be observed in the methods by which cooperatives are increasing their efficiency in moving farm products from the farmer to the consumer. Participation in clearing house programs is one illustration. The year has also brought forth evidences of a further trend toward centralization of cooperatives, and the development of subsidiary corporations of the large-scale cooperatives. Another significant trend is direct marketing by cooperatives. Cooperative associations are developing research within the organizations themselves. There is a marked trend toward liberalizing marketing contracts in which withdrawal and other rights are granted members of cooperative associations."

The Consumer's Influence on the Market.

P.R. Taylor, Director, Pennsylvania Bureau of Markets.

Mr. Taylor discussed the effectiveness of consumer demand surveys in determining production and consumption requirements. He declared that, "if we could determine exactly the foods contained in the average meal, we would almost certainly find decided increases in the proportions of dairy and poultry products, as well as most of the fruits and vegetables. Meat would be less prominent, and grain products probably about the same in volume as in previous years. The present 'buyers' market' is likely to continue for some years, and during that period, we can expect that production must necessarily be subordinated to distribution, and ability to sell must be the chief influence in production of all kinds and commodities. Competition will almost certainly be keener in the agricultural field for some years to come, and successful marketing will depend largely on thorough knowledge of all market factors.

"In the development of programs for better marketing, we must insist on the facts which may affect a particular industry or group. If complete information is available, it will be much easier to make correct decisions. We must give more consideration to the preferences of the ultimate consumer, and the factors which will influence him in favor of or against a particular product."

New York Food Marketing Research Council

Earl R. French, Executive Secretary.

Mr. French discussed the history, purposes and objectives of the New York Food Marketing Research Council. The aim of the Council, he declared is to be of service in all ways possible in the development of marketing intelligence upon which constructive changes or any programs of reform must inevitably be based. He extended an invitation to representatives of the state marketing organizations conducting research into some phase of the New York City marketing problem to avail themselves of the services of the Council.

Consumer Demand for Apples in New York City.

Earl R. French, Executive Secretary, Research Council.

Mr. French discussed the results of a study of consumer demand for apples in New York City, made by the Bureau of Agricultural Economics and the New York Food Marketing Research Council. A general lack of knowledge on the part of the public as to variety names and the times and kinds of apples which are being handled in the New York market was disclosed by the survey; also lack of knowledge of such names as applied to the specific apples being consumed by the public itself. Purchases, he said, are made in a very large way on the basis of appearance and recommendations of store operators.

Many housewives were shown to know apples only in terms of color, as red, green, yellow, and to be using this outward show as one of the chief guides in their trading. Particularly was this observed to be true among the group of lowest income and even to a considerable extent among



the middle income families. Contemplating these facts, he declared, there appears to be an unusual opportunity for distributors and retailers to modify and influence the consumer's choice of variety or line of apples purchased for the household.

#### New Developments in Economic Information

J. Clyde Marquis.

"Important changes in the type of information needed for market news services and by workers in the field of marketing have resulted from the influence of radio and the changing point of view with regard to marketing problems," said J. Clyde Marquis. "The radio and the larger city newspapers are now the principal mediums carrying price quotations, and price market reports are being used less in country newspapers than formerly. The demand is for more interpretation of market forces and description of conditions and situations which surround the market. In the past, producers merely watched the price; now they want to know about price-making factors. Agencies, Federal and State, need to do more than to merely report prices, they must add interpretive material wherever possible. Demand for views of the market and indicators that affect probable trends are being called for.

There is also a great need to adapt the information to the particular uses of groups of producers and traders. The development of cooperative associations, clearing houses and trade organizations, many of which now have their own information divisions, call for a wider distribution of basic statistics relating to production, stocks, grades, inspection, market supplies and prices. The development of outlook work, through which individual farmers are urged to study the prospective demand for their products before planning the season's operations, calls for the preparation of the basic statistics of each branch of agriculture in a form that is clear and useful to producers.

The regional and commodity problems make it important that Federal reports be supplemented by regional information, properly analysed to apply to the various producing districts. The Federal market news service thereby becomes more and more a trunk line for carrying basic facts which market workers in various States may combine with local information to present a complete picture of their local situations. The effort at present is to so co-ordinate the State and Federal activities that they will supplement each other and together present a complete story of the progress of the crop from planting time to the consumer. Special efforts in this direction will be made during the coming year, particularly by the Federal Bureau.

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#### PENNSYLVANIA TOBACCO GROWERS HAVE BRIGHT OUTLOOK.

The outlook for the Pennsylvania tobacco growers has not been as bright at any time in the last five years as it is today, says the Pennsylvania Bureau of Markets in its annual review of the tobacco situation.

Stocks of Pennsylvania tobacco held by manufacturers and dealers are 20 per cent smaller than in the fall of 1926, and are the smallest held since the autumn of 1921. Stocks of tobacco produced in areas competing with Pennsylvania are also smaller.

MILK MARKETING METHODS CHANGING  
IN NORTHEASTERN PENNSYLVANIA.

Good roads and the demands of the New York City market are transforming the great dairy section of northeastern Pennsylvania from a condenser and butter district to a fluid milk area, according to H.A. Hanemann, Pennsylvania Bureau of Markets.

Visits to ten local farmer-owned cooperative creameries in Susquehanna and Bradford Counties, Mr. Hanemann declares, show that this area can no longer be classed as a manufactured milk territory. Only three out of ten creameries are still making butter and cottage cheese and two out of the three are situated in remote districts at a considerable distance from improved state highways or railroads. The balance of the creameries have discontinued the manufacture of butter and cheese and are producing fluid cream entirely.

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SECOND NEW ENGLAND MARKETING  
CONFERENCE IS HELD.

The second New England Marketing Conference was held December 9 and 10 at the State House, Boston, Mass. The Conference was the result of a determined effort to make progress with the standardizing and grading of New England grown farm products and to force home upon the consuming public their superior qualities. The results of the past year's study were reported by the various state committees.

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VIRGINIA NOTIFIES SEED DEALERS  
OF WEIGHTS AND MEASURES LAW.

Seed dealers selling seeds either wholesale or retail are being notified by the Virginia Division of Markets of the requirements by the weights and measures law for the sale by weight or numerical count instead of measure, and the net weight being marked plainly and conspicuously on the outside of packages.

Selling by weight of a great many seeds has been recognized as expedient and practicable by many dealers, and has been used by them in the sale of many seeds before the law was passed in Virginia. Weights and Measures Regulation No. 2, effective June 30, 1927, exempts packages containing 1/2 avoirdupoise oz. or less of any commodity from marking in terms of weight. All other packages are required to have the minimum net weight marked on them.

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MARKET PROSPECTS FOR CITRUS FRUIT, 1927-28, has been issued in mimeograph by the Bureau of Agricultural Economics. Production is lighter than last year, with prices starting at a high level, according to the report.

KENTUCKY TO HOLD SERIES OF MEETINGS  
ON AGRICULTURAL SITUATION.

A series of meetings dealing with the agricultural situation in Kentucky is being planned by the Kentucky Department of Markets. Six sets of charts have been prepared and mimeographed material is being prepared for use at the meetings. Gordon B. Nance and E. C. Vaughn, extension workers in the department, will have charge of the meetings.

K. R. Zent, graduated from Purdue University in 1924 and who received his master's degree from the same institution last spring, was added to the Kentucky Experiment Station staff October 1, to assist in the regular experiment station projects.

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ECONOMICS BUREAU REPORT DESCRIBES  
FARM MARKETING SERVICES.

Numerous research and service activities intended to aid farmers and their organizations in improving farm conditions have been established or expanded by the Bureau of Agricultural Economics, during the past year, declares Lloyd S. Tenny, chief of the bureau, in his annual report to Secretary Jardine.

Special effort, Mr. Tenny says, has been made to provide farmers with information essential in adjusting their production programs to meet the changing demand for farm products. These activities include the issuance of reports indicating farmers crop and livestock production plans for the ensuing year, coupled with a report on prospective consumer demand and general economic conditions so that farmers may revise their programs in adjusting production to meet market conditions.

The annual report of the bureau fills fifty-four closely printed pages in which are set forth in detail the activities of fifteen divisions within the bureau which deal with all phases of agricultural economics from farm production and the organization of farms to marketing and consumer demand. Mr. Tenny lays emphasis on the use of market news and standardization practices by farmers.

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PENNSYLVANIA SAYS COLD STORAGE  
EGGS MUST BE STAMPED.

The cold storage law in Pennsylvania specifically requires that all eggs received from cold storage warehouses and offered for sale be stamped and labeled "Cold Storage Eggs".

The Pennsylvania Department of Agriculture is making a campaign to enforce the provisions of this law. It is alleged that large quantities of cold storage eggs have been coming into Pennsylvania from New York State and other States which are not marked "Cold Storage Eggs". Retailers are being told that if they wish to avoid prosecution, they will demand from jobbers and shippers that cartons be marked properly and that when placed on sale the purchaser may be advised as to their origin and quality.



IN CONGRESS:

The 70th Congress opened on Monday, December 5. Among bills introduced were the following:

- S. 1176, by Senator McNary, to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities in interstate and foreign commerce.

Other farm relife bills were introduced by Senator Robinson, of Arkansas, (S. 671 and 674); Senator Brookhart, (S. 772); Mr. Sinclair, (H.R. 305); Mr. Crisp, (H.R. 65); Mr. Lankford, (H.R. 77) and Mr. Anthony, (H.R. 6019 and 6020).

- S. 1178, by Senator McNary, to promote the agriculture of the United States by expanding in the foreign field the service now rendered by the United States Department of Agriculture in acquiring and diffusing useful information regarding agriculture, and for other purposes.

- S. 1294, by Senator Borah, to suppress unfair and fraudulent practices in the marketing of perishable agricultural commodities in interstate and foreign commerce.

- S. 1343, by Senator Oddie, to authorize the appropriation for use by the Secretary of Agriculture of certain funds for wool standards, and for other purposes.

- S. 872, by Senator Ransdell, to standardize bales of cotton and requiring sale of cotton by the true net weight of bale. A similar bill was introduced by Mr. Fulmer, (H.R. 395).

- S. 1093, by Senator Caraway, to prevent the sale of cotton and grain in future markets. A similar bill was introduced by Mr. Reed, of Arkansas, (H.R. 5834).

H.R. 5800, by Mr. Madden, the First Deficiency Bill, passed the House on December 9. This bill carries an item of \$70,000, for carrying out the provisions of the Mayfield-Jones act, providing for estimates of the grade and staple lengths of cotton; and \$2,500 for the completion of the wool work of the War Industries Board. An item of \$55,000 for the census of agriculture is included under the Bureau of the Census.

H.R. 5714, by Mr. Vinson, to prohibit certain cotton-price predictions.

H.R. 5581, by Mr. Hudspeth, to prevent gambling in cotton futures and make it unlawful for any person, corporation, or association of persons to sell any contract for future delivery of any cotton within the United States unless such seller is actually the legitimate owner of the cotton so contracted for future delivery at the time said sale or contract of sale is made.

- H.R. 5717, by Mr. Vinson, to amend the act entitled "An act authorizing the Department of Agriculture to issue semi-monthly cotton crop reports and providing for their publication simultaneously with the ginning reports of the Department of Commerce.
- H.R. 5677, by Mr. Sandlin, providing for the purchase and sale of cotton by net weight.
- H.R. 155, by Mr. Fulmer, to regulate interstate shipments of cotton and for other purposes.
- H.R. 458 and H.R. 5517, by Mr. Jones, relating to investigation of new uses of cotton.
- H.R. 303, by Mr. Sinclair, to promote and encourage agriculture by divesting grains of their interstate character in certain cases.
- H.R. 302, by Mr. Sinclair, to amend U. S. grain standards act.
- H.R. 106, by Mr. Burtness, to amend the United States grain standards act by inserting a new section providing for licensing and establishing laboratories for making determinations of protein in wheat and oil in flax.
- H.R. 304, by Mr. Sinclair, to authorize the Secretary of Agriculture to make protein tests of wheat.
- H.R. 105, by Mr. Burtness, requiring the labeling of flour in interstate and foreign commerce, and for other purposes.
- H.R. 53, by Mr. Gilbert, to provide for the collection and publication of statistics of tobacco by the Department of Agriculture.
- H.R. 145, by Mr. French, to prevent deceit and unfair prices that result from the unrevealed presence of substitutes for virgin wool in woven fabrics purporting to contain wool and in garments or articles of apparel made therefrom, \*\*\*\*\*.
- H.R. 301, by Mr. Sinclair, authorizing and directing the President of the United States to appoint a commission to investigate and to report to Congress a general system for the cooperative marketing of all farm products.
- H.Con. Res. 1, by Mr. Sinclair, to appoint a joint commission to investigate the subject of crop insurance.
- H.J. Res. 22, by Mr. Garber, to provide for a national agricultural day.
- H.R. 79, by Mr. Lankford, to authorize the Secretary of Agriculture to experiment in the sale of food and food products of the farm directly from producer to consumer.

H.R. 408, by Mr. Garber, to organize intermediate-credit banks to assist agricultural cooperative associations in acquiring storage facilities.

H.R. 344, by Mr. Swank, to provide that the United States of America shall build warehouses in conjunction with the several States \*\*\*\*.

A number of bills to amend the Farm Loan Act; the Classification Act, and the Retirement Act were introduced.

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#### FARMERS WEEKS' AND OTHER MEETINGS.

Minnesota is holding its Fifteenth Agricultural Extension Conference at "U" Farm, St. Paul, as we go to press.

Pennsylvania will hold its Twelfth Annual State Farm Products Show at Harrisburg, January 17-20.

Missouri Farmers' Week will be held at the Missouri College of Agriculture, January 16-20.

Indiana State Dairy Association will hold its 38th annual meeting at Purdue University, January 12.

Tennessee Agricultural Extension Workers held their thirteenth annual meeting at the University of Tennessee, December 5-9.

Illinois will hold its Thirty-first Annual Farmers' Week at the University of Illinois, January 9-13.

New York will hold its Twenty-first Farmers' Week at the State College of Agriculture, February 13-18.

New Jersey will hold "Agricultural Week" at Trenton, January 10-13. A Farm Products and Machinery Exhibit will be staged in connection with the "Week".

#### RECENT PUBLICATIONS.

"A List of International Organizations Interested in Agriculture," a mimeograph pamphlet by the Bureau of Agricultural Economics.

"Periodical Reports relating to Crops, Markets, and Agricultural Economics," a mimeograph by the Bureau of Agricultural Economics.

"Oklahoma, - An Index to the State Official Sources of Agricultural Statistics", a 462-page mimeograph by the Bureau of Agricultural Economics.



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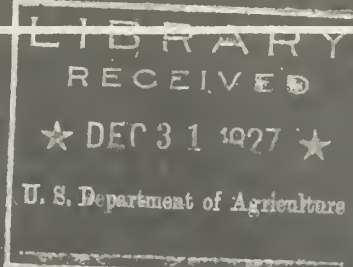
# STATE AND FEDERAL MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL  
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

Dec. 21, 1927

NEW ENGLAND CONFERENCE  
ADOPTS MARKETING PROGRAM.



Vol. 7, No. 51.

The New England Marketing Conference held at Boston, December 9 and 10, recommended completion of the commodity group organization in each of the New England States and the undertaking of an intensive educational program throughout the coming year to acquaint producers with its program for merchandising certain New England grown products on a graded basis.

It was the opinion of the Conference that an intensive program to interest consumers in buying graded New England products before a sufficient supply was available would be detrimental. The immediate problem was purported to be the interesting of a sufficient number of producers to grade and market their products on the basis of standard New England grades to make possible a considerable concentration. When a sufficient volume of the local grown and graded products becomes available the Conference leaders assured the gathering that many new outlets would become available which were now not using the home-grown commodities.

A year ago the Conference recommended that an effort be made in each state to secure through the Legislature authority to enable the Commissioners of Agriculture to promulgate tentative grades for a few of the major commodities, to furnish identification marks to each producer who would grade according to these standards, and to provide inspection to determine whether or not the products as they appeared on the market were properly graded. This authority was granted in five of the states but was lost in New Hampshire. Meantime, commodity groups have been at work to determine for what products the grades should be established; what the requirements of the grades should be, and how products strictly locally grown and graded to the New England standards could be identified.

Representatives of the various state groups reported their grade recommendations to the Conference, which recommendations were adopted. Grades were approved for eggs, apples, asparagus, celery, strawberries, and bunched beets, carrots, turnips and globe radishes. The New England Council will offer these grades to the several Commissioners of Agriculture, urging their promulgation.

A second step was the presentation to the Conference of the proposed label and identification mark to be used on packages containing products locally grown and packed according to New England standards. Although the Conference approved the general scheme of the label a few minor changes in the detail will be made. The labels will be distributed and controlled by the Commissioners of Agriculture. Each label will carry a serial number in order to make possible the identity of any packer. They will not be used



to advertise any particular producer nor carry his name and address but instead will be used in addition to his usual advertising and trade mark.

As soon as the detail of the label is completed effort will be made to interest producers to use them regularly. It is hoped that by the end of another year a considerable volume of produce will be going to market identified by the New England label and graded according to the New England-wide standards. If sufficient producers become interested in the effort to aid in the solution of their chief marketing problem - the overcoming of outside competition - an intensive publicity campaign will follow. This marketing program has a wide and influential support throughout New England, and producers are being urged to acquaint themselves with the plan and support it enthusiastically.

The Conference also adopted the recommendations of the dairy commodity group which favored the extension of the "Code of Ethics" established by the Milk Conference Board, urged the coordination of the New England milk industry as recommended by the U.S. Bureau of Agricultural Economics, and requested that milk and cream originating from outside of New England should be produced under inspection regulations similar to those required of New England dairymen. The Milk Conference Board created this summer was the result of a recommendation of the dairy group at the marketing conference a year ago.

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#### VIRGINIA REPORTS PROGRESS OF MARKETING ACTIVITIES.

Standardization in cooperation with producers is the keynote in the increased results as set forth in the report of activities of the Virginia State Division of Markets made to George W. Keiner, Commissioner of Agriculture, by J. H. Meck, Director of the Division. The report covers the period from July 1, 1925 to June 30, 1927.

Recognized standards are found to be absolutely essential in marketing, putting a premium on quality, according to the report, which shows that the main activities of the division during the biennium have been directed towards establishing grades that can be used in a practical way by producers and dealers in their trading and in inspection service essential for certification, making f.o.b. sales possible.

This work is in cooperation with the U.S. Bureau of Agricultural Economics, states the report. Grades have been established for eggs, apples, livestock and wool, cream, tobacco, hay, and other commodities, and applications for inspection service have steadily increased, as shown by the report.

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"PROTEIN AND TEST WEIGHT OF THE 1927 NORTH DAKOTA WHEAT CROP", is the title of Bulletin 216, issued by the North Dakota Experiment Station, Fargo, North Dakota.





CAINE RESIGNS FROM PACKERS  
AND STOCKYARDS ADMINISTRATION.

John T. Caine, III, for two and one-half years chief of the Packers and Stockyards Administration, will leave the Department of Agriculture January 1, to join the staff of the International Livestock Exposition in Chicago. Secretary Jardine received his resignation with regret.

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TENNESSEE ADOPTS PROGRAM  
OF BALANCED FARMING.

A balanced, permanent system of farming with 50 per cent of the farm income derived from livestock will be the program of County Agents for agricultural improvement in Tennessee the coming year, the program being adopted at the Thirteenth Annual Meeting of County and Home Demonstration Agents, Supervisors and Specialists, held at the University of Tennessee, December 5 to 9.

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PENNSYLVANIA INSPECTED FEWER  
APPLES DURING PAST YEAR.

Five hundred and thirty-seven cars of apples were inspected at 32 shipping points, principally in Adams, Franklin, Cumberland, York and Wyoming counties, this year by the Pennsylvania Bureau of Markets.

Due to adverse weather throughout the growing season, the apple crop was smaller and contained more defective fruit. As a result, the number of cars inspected was only half the number of last year. Likewise, the percentage of U.S. Fancy and No. 1 grades was smaller than in any year since the service was started in 1923, amounting to 63 per cent of the cars inspected as compared to 78 per cent in 1926, and 79 per cent in 1925.

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WISCONSIN URGES COMPLIANCE  
WITH MARKETING LAW.

J. H. Vint, Wisconsin Commissioner of Markets, has issued the following statement to makers, assemblers, and dealers in cheese.

"It seems that for some time past many of those who are interested in the manufacturing and marketing of cheese have had the impression that the program of the Department of Markets is not workable or at least has not worked well enough to result in the trade having the proper respect for our marketing law. At this time I wish to call the attention of the trade to the fact that there is a tremendous effort being made by this department to check up everybody who aids in the manufacturing or marketing of cheese to see that they obey the law to the letter or answer in court. We are going to make every effort to enforce the law as it is at the present time."





## OREGON PLANS TEN COUNTY ECONOMIC OUTLOOK CONFERENCES.

Adjustment of production to market demands and standardization of production along most profitable lines in order that the agricultural industry may develop and prosper in the face of increasing commercialization and ever-widening competition, are to be given serious and systematic consideration at ten county economic-outlook conferences the last three weeks of February by the Oregon Extension Service.

A review of the findings of county economic conferences held in former years will be made by county committees on general economics, poultry, dairy, livestock, farm crops, and horticulture. These committees will have at their disposal in addition to the respective sections of the former report, corresponding sections of a state agricultural outlook report to be prepared by the agricultural staff of the college, the results of a sample census of the county's agriculture which will indicate what commodities are produced commercially, how much of each and the trend of production, and other special data.

Six committees of agricultural college staff members have been formed to prepare reports on the agricultural outlook in the state. These committees will have the Federal agricultural outlook report for consideration but will localize and supplement the information, using sample census figures and other data.

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## COURSE IN FARM ECONOMICS TO BE BROADCAST.

One of the popular features of the Department of Agriculture's radio farm program this winter is a series of talks on farm economics worked out in cooperation with the Bureau of Agricultural Economics. These talks are broadcast, one each week, by 57 large commercial radio stations in 34 states. The farm economics talks grew out of last year's Chats with the Agricultural Economist, but the new series is more comprehensive and of increased popular appeal. The first talk was put on the air October 4 and the whole group will require 30 weeks to complete. A new series of farm economics talks, featuring marketing subjects, began December 14.

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## FARMER COOPERATION SUCCEEDS WHERE BETTER BUSINESS METHODS ARE USED.

Abandonment of notions of arbitrary price fixing by cooperative organizations in favor of efficient business practices which are yielding profitable results is reported by Chris L. Christensen, in charge of the Division of Cooperative Marketing, United States Department of Agriculture, who has just returned to Washington from a six weeks' field investigation of cooperative organizations on the Pacific Coast.

"Farmers generally," he declared, "have gotten away from the idea that by merely organizing they can fix the price of their products or readily change market conditions."



IN CONGRESS:

H. R. 5800, by Mr. Madden, the first deficiency bill, has passed both Houses with a Senate Amendment, appropriating \$100,000 for the Administration of the Produce Agency Act.

NEW BILLS:

S. 1754, by Senator Borah, to create a Federal agricultural corporation to give American farmers economic guidance of the production and economic assistance in the marketing of the basic commodities of agriculture.

S. 1764, by Senator Caraway, to establish a Federal farm Board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities in interstate and foreign commerce. A similar bill (H.R. 7739) was introduced by Mr. Lankford.

S. 1413, by Senator Mayfield, to prohibit predictions with respect to cotton prices in any report, bulletin or other publication issued by the Department of Agriculture or the Department of Commerce and for other purposes. A similar bill (H.R. 7215) was introduced by Mr. McDuffie.

S. 1621, by Senator Capper, to prevent deceit and unfair prices that result from the unrevealed presence of substitutes for virgin wool in woven or knitted fabrics purporting to contain wool and in garments or articles of apparel made therefrom \*\*\*.

S. 1687, by Senator Ransdell, directing the Secretary of Agriculture to amend the regulations prescribing the rice standards used in the United States by defining imported broken rice.

S. 1727, by Senator Dale, to amend the act entitled "An act for the retirement of employees in the classified civil service and for other purposes". A similar bill (H.R. 7369) was introduced by Mr. Gibson.

H.R. 7185, by Mr. Blanton, to prevent gambling in cotton, wool, mohair and grain futures and to make it unlawful for any person, corporation or association of persons to sell or to buy any contract for future delivery of any cotton, wool, mohair or grain within the United States unless such seller is actually the legitimate owner of the cotton, wool, mohair or grain so contracted for future delivery at the time said sale or contract of sale is made, and such buyer is purchasing same for actual delivery.





H. R.7376, by Mr. Smith, to suppress unfair and fraudulent practices in the marketing of perishable agricultural commodities in interstate and foreign commerce.

H. R.7459, by Mr. Morgan, to authorize the appropriation for use by the Secretary of Agriculture of certain funds for wool standards and for other purposes.

H. R.7217, by Mr. Allgood, prohibiting persons connected with the Government department from making statements pertaining to probable future market prices.

H. R.6972, by Mr. Chrisyopherson, to create the American Stabilizing commission and to provide for stabilizing the prices of certain farm products by purchasing the surplus thereof.

H. R.6859, by Mr. Sears of Florida, to prohibit the importation into the United States of immature oranges and grapefruit.

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#### HAY STANDARDS STRESSED BY FEDERAL EXPERT

"Hay standards are of inestimable value to producers, shippers' organizations, and cooperative marketing associations in the development of direct marketing, because properly graded hay establishes confidence among consumers and creates premiums for high quality," according to Edward C. Parker of the Hay Standardization and Inspection service of the Federal Bureau of Agricultural Economics.

"Shippers in Wisconsin, Alabama, Nebraska, Kansas, and Wyoming are now making use of United State standards and inspection in the development of direct marketing, and they are finding a big and profitable field into which they can extend their operations. Thousands of dairymen, stock feeders, and purchasing agents from lumber camps, road contractors, etc., constitute a group of consumers that is greatly desirous of buying carlots of graded and uniformly loaded hay direct from producing communities. The Federal hay inspection service is constantly increasing as shippers and consumers become aware of its value in the marketing of hay. The service provides original inspections, secondary inspections to show change in condition, and appeal inspections on grades in dispute. Inspections are made by licensed men whose work is supervised by Department of Agriculture supervisors at Washington, D.C., Chicago, Atlanta, Kansas City, Salt Lake City, and San Francisco.

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#### RECENT PUBLICATIONS

"Commercial Fertilizers in 1926-27 and Their Use," Bulletin 368, issued by the Texas Agricultural Experiment Station.

"How Minnesota Farm Family Incomes Are Spent," Bulletin 234, issued by the Minnesota Experiment Station, St. Paul, Minnesota.





STATE AND FEDERAL  
MARKETING ACTIVITIES  
AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL  
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

Dec. 28, 1927

JAN 4

Vol. 7, No. 52

CONNECTICUT REPORTS ON  
YEAR'S WORK IN MARKETING.

Decided changes in marketing methods in Connecticut the last few years are reported by Philo T. Platt, Commissioner, Connecticut State Department of Agriculture, in his second annual report to Governor John H. Trumbull.

Home grown fruits and vegetables are graded better, according to Commissioner Platt, and are commanding the attention of the trade to the exclusion of shipped-in products. Farmers adjacent to large markets are availing themselves of their natural advantage and are offering packages that equal and often excel in quality those that have been shipped in.

"Native apples and eggs are good examples of products that are beginning to dominate Connecticut markets. The outlet for shipped-in apples is decreasing, although large amounts are still shipped in from other states. Likewise the public demands the best in eggs and accepts no substitute willingly for the three Connecticut grades.

"Located in the center of a triangle with approximately eight million people clustering at the three points, Connecticut is wonderfully situated to care for any surplus products that she may produce. Oftentimes small groups of growers combine during a period of dull markets and make up a truck load and sometimes several truck loads and take them to either Boston, New York or Providence.

"Farmers near the summer resorts are catering to summer people with broilers, eggs, fruits and vegetables. Places have been set aside by the municipal government in several of the larger cities to be used as farmers' wholesale markets. Roadside marketing is making a strong bid for popularity, and many farmers are turning to the diversified farm and are growing a wider assortment of products to supply the rapidly increasing demand. The opportunity for raising more products under glass seems promising.

"Standard grades and identification brands or trade-marks have been adopted during the past year and although it is too soon to give concrete results it will without doubt be the means of decreasing shipments into the state of many carloads of food products that can be grown and packed to better advantage on Connecticut farms."

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NUMEROUS ECONOMIC, STATISTICAL, SOCIOLOGICAL AND HISTORICAL ASSOCIATIONS are holding meetings in Washington, D.C. this week. They include the American Economic Association, American Statistical Association, American Farm Economic Association, American Sociological Society, and other organizations.

NEW ENGLAND FLOOD CAUSED  
HEAVY AGRICULTURAL LOSS.

Agricultural losses totaling \$1,350,000 resulting from the recent New England flood are reported by the United States Department of Agriculture following a survey by the Vermont Extension Service and the Federal Crop Reporting Board.

The losses cover farm lands, buildings, livestock, crops, fuel, food, and household supplies. It is estimated that approximately 2,000 head of cattle were drowned in the flood in addition to large numbers of poultry, hogs, and sheep. Nearly 700 farms were affected in some measure by the flood, fully 7,000 acres of land being damaged to some extent, varying from only slight erosion to coverage with several feet of sand and gravel.

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SECRETARY JARDINE EXPLAINS  
ADVANCE IN CATTLE PRICES

The present prices for beef, which are causing complaints and threats of boycott in some places, seem unduly high only because they are compared with prices of the past few years, which were ruinously low to the cattle grower, according to a statement issued by Secretary Jardine of the United States Department of Agriculture.

"This year for the first time since 1920," Secretary Jardine said, "cattlemen as a whole have received fairly remunerative prices for their cattle. In the other six years cattle prices were so low most of the time that large numbers of producers were forced out of business and cattle numbers have been drastically reduced."

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ALABAMA REPORTS PROGRESS  
IN AGRICULTURAL ECONOMICS.

Research in agricultural economics was started by the Alabama Experiment Station in July, 1926, under the direction of J.D. Pope. Two main lines of investigation have been followed - marketing and farm management.

Cotton marketing has received practically all the attention devoted to marketing, the main study being the relation of quality to price of cotton. The results of the grade-staple-price data collected on 5,000 bales of cotton in various parts of the State in 1926 show that an opportunity exists for wider use of Government standards.

The study reveals also that 99 per cent of the cotton was 7/8 inch in staple length. Indications were that no consistent effort was made by local buyers to price cotton with exactness according to grade, and especially according to staple.

The farm management studies include a number of problems such as labor efficiency, the most profitable organizations of various farm enterprises, the question of diversification, methods of lowering crop production costs, and livestock projects.

FEDERAL PIG SURVEY SHOWS  
ELEVEN PER CENT INCREASE.

An increase of 11 per cent in the fall pig crop of 1927 over the fall crop of 1926 for the eleven Corn Belt States and also for the United States as a whole, is shown by the December 1, 1927, pig survey issued by the Department of Agriculture. The number of sows that farrowed this fall increased only 9 per cent for the Corn Belt and 10 per cent for the United States, but there was a small increase in the average size of litters saved this fall.

The number of sows bred or to be bred for farrowing next spring as reported is 1 per cent larger for the Corn Belt and 6 per cent larger for the United States than the number actually farrowed last spring. These figures indicate that the number of sows that will farrow next spring will be from 6 to 8 per cent less for the Corn Belt States and 3 to 5 per cent less for the United States than the number that farrowed last spring, allowance being made for the average decline between breeding intentions reported in December and actual farrowings, reported the following June, as shown by past surveys.

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ARKANSAS TO HOLD SCHOOL  
OF COOPERATIVE MARKETING.

A school of cooperative marketing is to be held by the Arkansas Extension Service at Little Rock, Arkansas, January 22-25. The program includes discussion of recent developments and present trends in cooperative marketing; marketing problems in Arkansas, economic and social aspects of cooperative marketing, and other topics.

The Arkansas Extension Service has also announced a Bankers' Farm School at Fayetteville, Arkansas, January 17 and 18.

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OHIO DEVELOPS COURSE  
IN FARM ACCOUNTING.

A course in farm accounting which is being studied by more than 10,000 Ohio boys and girls in the public schools of the State, as well as by several thousand more in the Smith-Hughes vocational departments has been announced by the Ohio Extension Service.

The course consists first of an actual record of transactions on a real Ohio farm, and second, of an account book in which these transactions are to be set down correctly so as to reveal profit or loss on general operation and in the different departments of the farm. The course is regularly taught in the seventh and eighth grade curricula of the schools of 18 counties.



#### VIRGINIA REPORTS ON SURVEY OF TOBACCO SCALES.

A survey of scales used in warehouses for weighing tobacco, just completed by H. G. Coville, field representative of weights and measures, Virginia Division of Markets, shows inaccuracy of scales and great need for the service performed by the State office.

A survey of conditions existing among tobacco warehouses with reference to uniformity of reductions being made for baskets and trucks on which tobacco is weighed and the accuracy of scales was made before the sales season started, according to Director J. H. Meek, which shows considerable inaccuracy and confusion in the methods by some warehousemen.

Plans are being made for a complete survey of scales used in weighing livestock and in the main livestock producing sections of the State before the heavy livestock movement starts next spring.

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#### PENNSYLVANIA COOPERATIVE CONFERENCE DISCUSSED MANY PROBLEMS.

The second annual cooperative conference held at the Pennsylvania State College, November 4 and 5, was attended by representatives from more than twenty cooperative associations in Pennsylvania. The following subjects were discussed at the conference:

"Men and Methods in the Milk Business," by Daniel Adams, Manager, St. Lawrence Dairy Company; "Problems in Direct Milk Marketing," by H. R. Paulhams, Cooperative Dairy Farms; "Progress of Cooperation in Pennsylvania," by H. A. Hanemann, Pennsylvania Bureau of Markets; "Cooperative Buying," by L. G. Darr, Manager, Clearfield County Cooperative Association; "Cooperative Activity in Luzerne County," by S. L. Harrison, Manager, Luzerne County Cooperative Association; "How a Board of Directors Should Function," by Robert F. Brinton, Treasurer, Interstate Milk Producers Association.

"How Far Should Cooperatives Go in Setting up Reserves?" by C. E. Fox, Pennsylvania Extension Department; "Plainfield Township Farmers Develop Own Milk Market," by H. A. Hanemann, Pennsylvania Bureau of Markets.

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#### MONTANA ISSUES INSTRUCTIONS UNDER POTATO QUARANTINE.

Montana potato growers must screen all potatoes and use only clean, new sacks in shipping to the states of Idaho, Colorado, Washington, Oregon and California, according to F. M. Harrington, horticulturist at Montana State College. The warning is issued as a result of the quarantine regulations established by these states against the Colorado potato beetle. Potatoes will be admitted only when they have met quarantine requirements and accompanied by inspection certificate.

IN CONGRESS:

H.R.5800, the first deficiency bill, has been signed by the President of the United States.

NEW BILLS:

- S. 1968, by Senator Smoot, to authorize the Secretary of Agriculture to pay for use and occupancy by the Department of Agriculture of the Bieber Building, 1358 B St., S.W., Washington, D.C., and for other purposes.
- S.J.R. 50, by Senator Smoot, providing that the Secretary of Agriculture be directed to give notice that on and after January 1, 1929, the Government will cease to maintain a public market on Pennsylvania Ave., between 7th & 9th Streets.
- S.Con.Res.4, by Senator Ransdell, resolved that for the purpose of interpreting the meaning of the tariff act of 1922, with respect to imported broken rice "broken rice" shall include only the class "brewers' milled rice" as specified by United States standards for milled rice.
- H.R. 7942, by Mr. McKeown, authorizing an appropriation of \$300,000 for the purchase of cottonseed, kaffir seed, milo maize seed, and seed grain to be supplied to farmers in the pest and flood-stricken areas of the State of Oklahoma.
- H.R. 8224, by Mr. Jones, relating to investigation of new uses of cotton.
- H.R. 7907, by Mr. French, to prevent deceit and unfair prices that result from the unrevealed presence of substitutes for virgin wool in woven fabrics purporting to contain wool and in garments or articles of apparel made therefrom\*\*\*.
- H.R. 7940, by Mr. Haugen, to establish a Federal Farm Board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities in interstate and foreign commerce.
- H.R. 8131, by Mr. Black, of New York, to establish the Federal alcoholic liquor board in the Department of Agriculture to aid in putting the agricultural industry on sound commercial basis by providing incentives to crop diversification and a market for surplus farm products.
- H.R. 7943, by Mr. Mead, to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes." A similar bill was introduced by Mr. Manlove (H.R.7953).

FARMERS' WEEKS AND OTHER EVENTS.

Iowa Annual Farm and Home Week will be held at Iowa State College January 30 to February 4.

Arkansas Farmers' Week will be held at the University of Arkansas July 31 to August 3, 1928. About 4,000 people attended this Farmers' Week last year.

Arkansas will hold its annual conference of Arkansas Extension workers at the University of Arkansas, August 4-7, 1928.

Marketing discussions at the Pennsylvania Farm Products Show at Harrisburg, January 17-20 will include the history and development of public markets in Philadelphia, the management and operation of Center Market, Washington, D.C., the practical lay-out and operation of a market house, and cost of selling in market houses.

EXPERIMENT STATION PUBLICATIONS.

The following list of Extension Station bulletins of interest to marketing men has been published in United States Department of Agriculture Department Bulletin 1199, entitled "List of Bulletins of the Agricultural Experiment Stations for the Calendar Years 1925 and 1926.

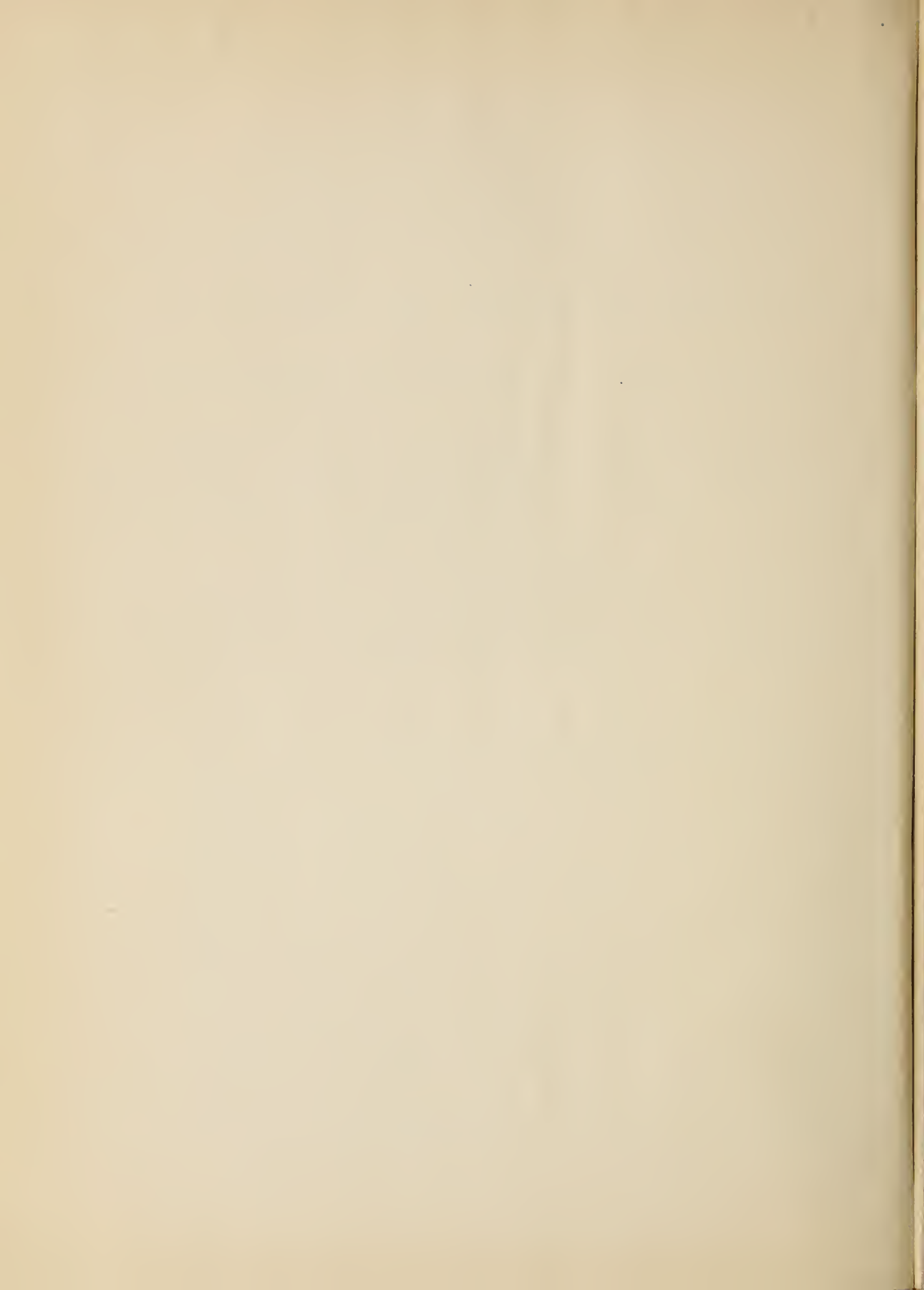
Marketing -

agricultural products, Ind. Bul. 295; N.H. Bul. 217, 222;  
N.J. Bul. 416; N.Y. Cornell Bul. 453; Pa. Bul. 193;  
R.I. Bul. 203; Va. Bul. 240; Wash. Bul. 194.  
attitudes of farmers, Minn. Tech. Bul. 45.  
cabbage, N.Y. Cornell Bul. 443.  
cantaloupes and melons, Colo. Bul. 312.  
cheese, Wis. Bul. 380.  
cooperative, Ky. Bul. 271; Minn. Tech. Bul. 45.  
fruit, N.Y. Cornell Bul. 453; R.I. Bul. 203.  
livestock, Ky. Bul. 270; Hebr. Bul. 209; Wis. Bul. 381.  
milk, Ill. Bul. 269; Pa. Bul. 208.  
milk, survey, N.Y. Cornell Bul. 443.  
organizations, livestock, Ky. Bul. 270.  
peaches, Ark. Bul. 207.  
potatoes, Ind. Bul. 305; Mich. Spec. Bul. 137;  
N.Y. Cornell Bul. 440.  
vegetables, Conn. Storrs Bul. 132.  
wheat, Wash. Bul. 201.

Copies of the foregoing publications may be obtained by writing the Experiment Stations which issued them.

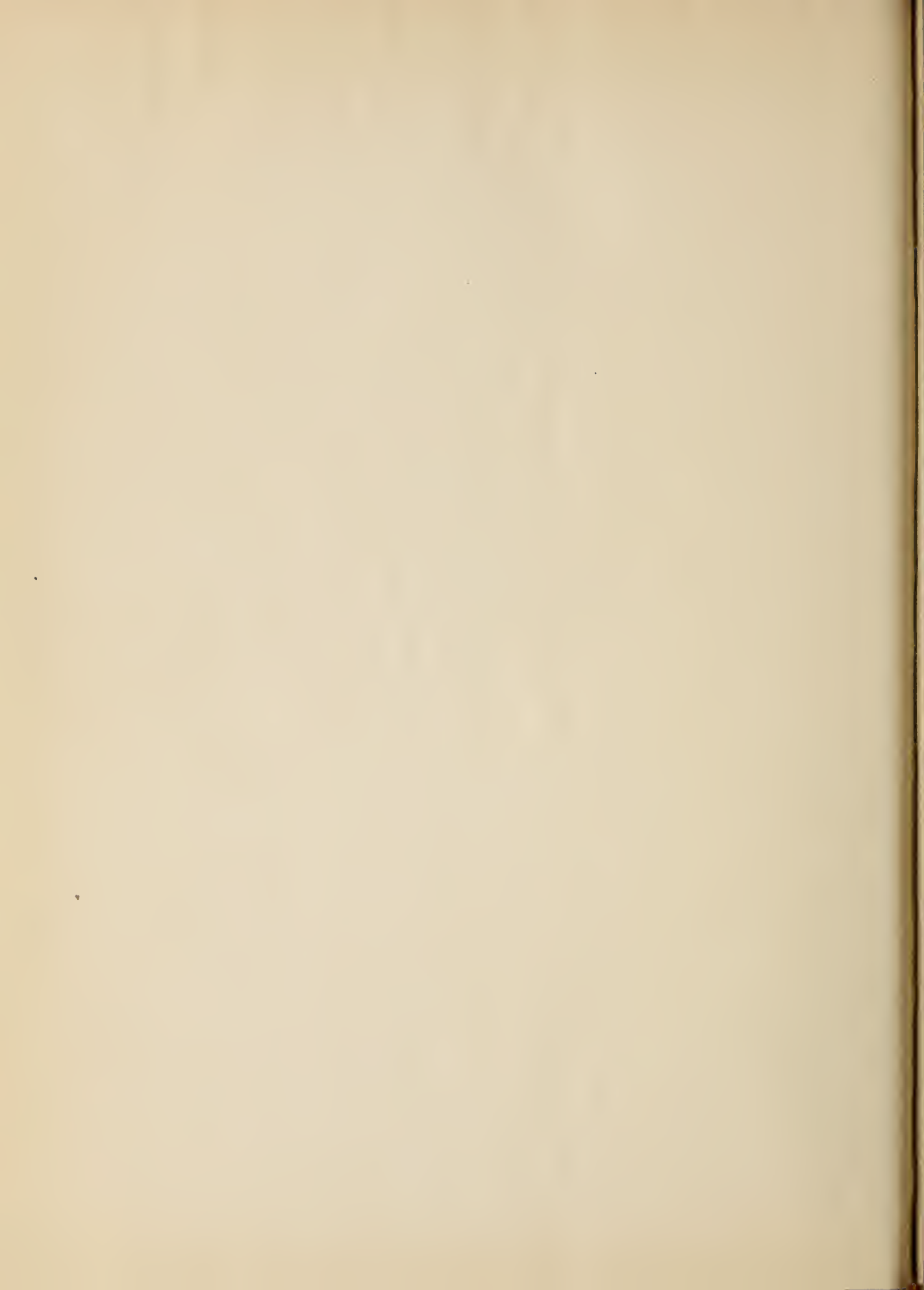




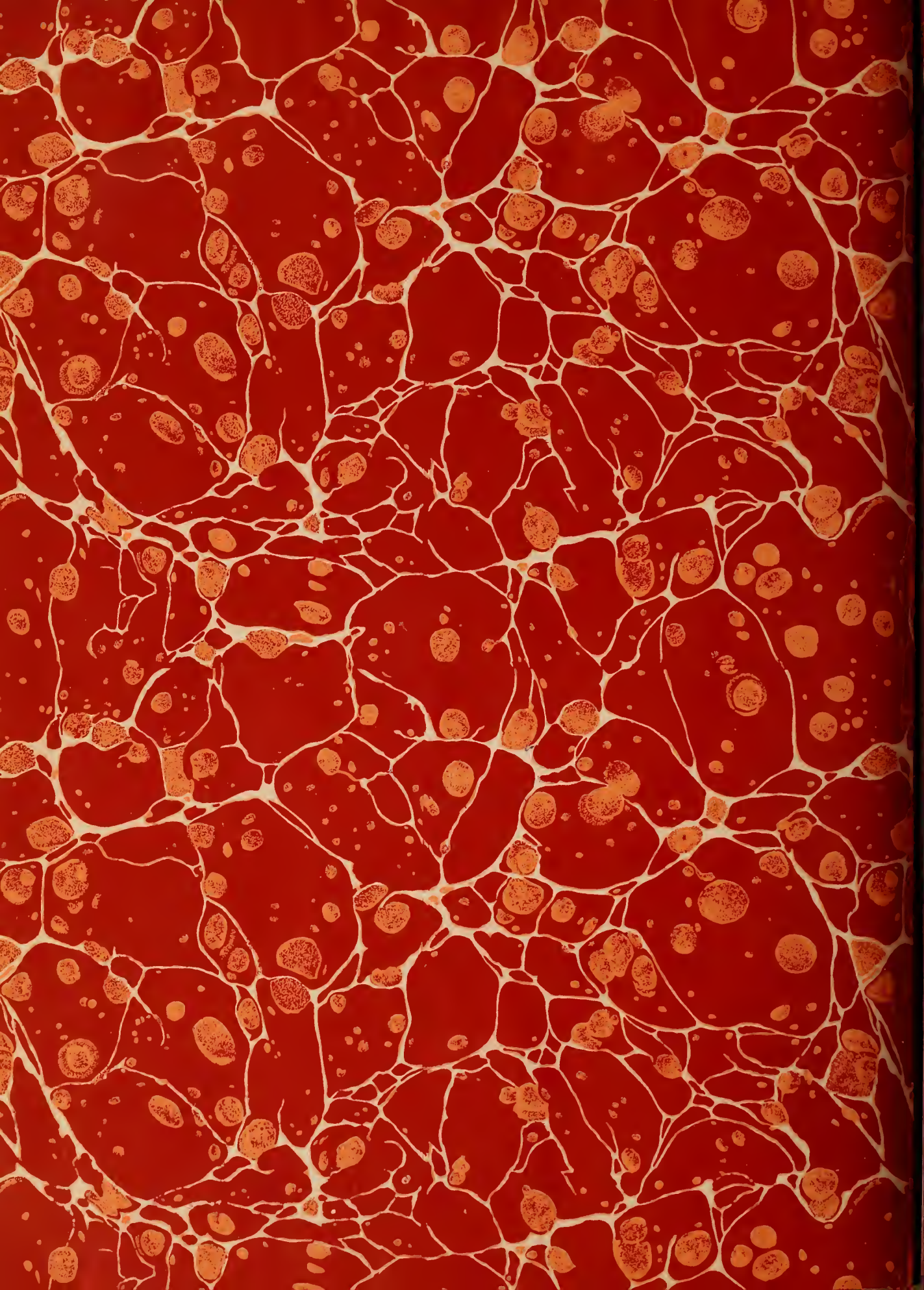














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